

# The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, MAY 20, 1927



## Peoria Life Insurance Company

Peoria, Illinois

### *The Pot of Gold*

THE story says there's a pot of gold at the foot of the rainbow. It must be there yet—men have spent their years and their strength in pursuit of it—none has ever captured it.

In the life insurance business, men have followed the lure of lavish advances and endless allowances; of commissions approaching 100% of the annual premium, and renewals running to eternity. But they have failed to grasp the pot of gold.

Agents of the Peoria Life have discovered a surer formula for substantial success, in their connection with an established company having a wide reputation for service to its agents and policyholders; in liberal but reasonable first year and renewal commissions; in a wide variety of sound and saleable policy contracts; in the loyal cooperation of a capable agency organization that maintains a personal interest in his progress, and spares no effort to promote his success.

In the final comparison, the Peoria Life man builds a permanent business, has a far larger production, enjoys greater earnings, and in every way is far happier than the man who chased the pot of gold at the rainbow's end.

# Making Managers for the Big Cities

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**W**E are using the City of Philadelphia as a training ground for the development of Managers for the important population centers throughout the country—for such places as Pittsburgh, Cleveland, Detroit, Chicago, St. Louis, and the like. Men with a sufficient background of life insurance experience will be given a thorough training in modern agency management, and placed in a position, under expert supervision and instruction, to recruit, train and develop a staff of men in the city of Philadelphia; then as rapidly as they develop the capacity to handle the work effectively, they will be advanced to an important managerial post with large potential possibilities.

## *Reduced Rate for Best Risks*

The Continental American is the only company in the country which specializes on the best risks, the "preferred" risks, the class of people who are not merely good average risks but better risks than the average, and who insure in amounts of not less than \$5,000.

To this class of preferred risks, made up largely of business and professional men, the company offers a marked reduction from the usual rate.

Even this greatly reduced rate is larger than is necessary, with the result that a dividend is returned to the policyholder every year after the first.

This yearly dividend, deducted from the low rate, reduces the net outlay for the insurance to a very low figure.

At the same time, the company not only maintains the reserves required by the insurance laws of all the different states in which it operates, but its capital and surplus, over and above those reserves, is about three times as large, in proportion to liabilities, as is usually thought to be necessary—a margin of safety for policyholders about three times as great as the average.

As the result of specializing on the preferred class of risks and giving them the benefit of their superiority, ap-

proximately two-thirds of the company's new business now comes from that source.

## *The Company*

The Continental American, with nearly twenty successful years behind it, is only now beginning its real expansion.

Old enough and large enough to be solidly established, yet it is still young enough and small enough to offer to ambitious men the opportunity to come in on what is virtually the ground floor, after the foundation has been solidly laid, carve out a rich slice of territory, build a business limited only by the energy and capacity put into it, and automatically reap the big reward which always goes to the successful pioneer.

## *Send for Details*

If you have a background of successful life insurance experience, are interested in managerial work in a large way, and can come to Philadelphia for a thorough course of training and instruction, send for our last annual statement, details of our preferred class plan, and full information regarding our course of training and the large possibilities which are open to men who have the capacity to make the most of a big opportunity.

Address, Philip Burnet, President

**CONTINENTAL AMERICAN LIFE INSURANCE CO.**  
Wilmington, Delaware

BOSTON

PHILADELPHIA

BALTIMORE

WASHINGTON

CINCINNATI

# IRON OUT THE UPS AND DOWNS

WITH THESE TOOLS IN  
YOUR KIT YOU CAN MORE  
EFFECTIVELY SELL LIFE  
INSURANCE

1. *An up to date CANVASSING PORTFOLIO which tells the story of life insurance in a way that every prospect can understand. It is graphically illustrated with charts and drawings.*
2. *An illustrated brief—a new innovation.*
3. *A pre-approach plan that actually CONVERTS “suspects” into prospects.*
4. *A complete line of policy contracts.*
5. *Special plans for children of all ages.*
6. *Lowest rates consistent with sound actuarial practices.*
7. *A new plan of agency co-operation.*
8. *Constant development of new sales plans.*

“This is an up and down business—one day you are on top of the world, the next down in the dumps—!”

Ever feel this way? Many salesmen think that no matter what the product they must expect this up and down evil. But Bank Savings Life men have a different story to tell.

For life insurance men selling Bank Savings Life insurance are equipped with a kit-full of tools that assures them of a steady profitable business.

The Bank Savings Life has real opportunities to offer men contemplating entering the life insurance business in the states listed below:

PENNSYLVANIA	KANSAS	NEW MEXICO
OHIO	COLORADO	ARIZONA
ILLINOIS	OKLAHOMA	TEXAS
MISSOURI	ARKANSAS	CALIFORNIA

Why not write George L. Grogan, Manager of Agencies, and find out the way to smooth sailing in selling life insurance.

**The BANK SAVINGS LIFE INSURANCE COMPANY**

Topeka, Kansas

Admitted Assets \$3,519,222.00

Insurance in Force \$29,336,040.00



The People  
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**Above  
 Everything  
 Be  
 Happy  
 Doing  
 Your  
 Job**

*If you are not happy on your job there is something wrong somewhere which demands immediate attention and adjustment. That something may be you or your surroundings. It may be that you are better adapted to do a different kind of work. Make a conscientious effort to analyze yourself and your situation. Find out just where improvement is necessary.*

*Have you ever talked to a Peoples Life agent? You found him happy on the job. Why not investigate and find out why Peoples Life men are so uniformly contented and prosperous agents. Write E. J. Cotter, Supt. of Agents today.*

**The  
 PEOPLES LIFE**  
 INSURANCE COMPANY  
 ILLINOIS

SEYMOUR STEDMAN  
 President

G. L. LUTTLERLOH  
 Secretary & Treasurer

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# The National Underwriter

## LIFE INSURANCE EDITION

Thirty-first Year, No. 20

CHICAGO, CINCINNATI AND NEW YORK, FRIDAY, MAY 20, 1927

\$3.00 Per Year, 15 Cents a Copy

### HALEY FISKE GIVES VISION OF THE FUTURE

President of the Metropolitan Life  
Expresses Views as to Life  
Insurance

### MUST SERVE THE PUBLIC

Shows How Great Institutions Can Con-  
tribute to the Better Welfare  
of Human Kind

NEW YORK, May 19.—The person-  
ality of President Haley Fiske and the  
accomplishments of the Metropolitan  
Life are the subjects of the leading arti-  
cle by Charles W. Wood in the current



HALEY FISKE  
President Metropolitan Life

issue of "Forbes Magazine." In the  
article entitled "Promoting Life and  
Friendship—Our New and Greatest  
Business," President Fiske begins by  
saying that 20 years ago the Metropoli-  
tan was merely an insurance company,  
writing an annual business of approxi-  
mately \$458,000,000 and earning about  
\$1,345,000 a year. Today, as President  
Fiske sees it, the sole business of the  
Metropolitan is "to promote health in  
the individual and healthful, happy hu-  
man relations everywhere." Incidentally  
the company last year wrote more than  
\$3,000,000,000 and earned approximately  
\$17,635,000 after distributing \$52,000,000  
in dividends to policyholders. At the  
present time it stands not only as the  
largest insurance company but also the  
largest financial institution in the world.

#### Enlarged Its Welfare Service

To Mr. Wood, President Fiske con-  
fessed that he hardly knew how the  
company had got into this other thing,  
suggesting that it began when a surplus  
was discovered which might be used for

### BILHEIMER GOES WITH MERCHANTS LIFE OF IOWA

### IS MADE VICE-PRESIDENT

Well Known Speaker and Sales Organi-  
zation Stimulator Becomes Offi-  
cial of Des Moines Company

W. E. Bilheimer of St. Louis, who has  
been conducting a sales organization  
service on an independent basis, has be-  
come vice-president and sales manager  
of the Merchants Life of Des Moines.  
Mr. Bilheimer was formerly connected  
with the Franklin Life in the production  
department. Most of his time, however,  
has been spent in independent work,  
speaking at conventions and assisting  
sales organizations. Mr. Bilheimer is at  
present in Texas speeding up the work  
there. Mr. Bilheimer has been known  
as the evangelist in life insurance selling.  
President W. A. Watts of the Merchants  
Life in referring to him says:

"Mr. Bilheimer's duties will be con-  
fined entirely to the field problems of the  
company. He will have full and entire  
charge of all agency matters. All agency  
problems will come under his supervi-  
sion. Mr. Bilheimer is so well known to  
the life insurance fraternity it hardly  
seems necessary for me to say anything  
about his qualifications for the position  
that he is assuming in our family. He has  
built some of the largest agency organi-  
zations in America; has handled over  
25,000 life insurance salesmen; has built  
an international reputation as a public  
speaker; has held congresses for various  
life underwriters associations; has writ-  
ten \$20,000,000 of business personally;  
and brings to us the ripe experience of  
26 years."

health propaganda. Advancing cau-  
tiously step by step, the company en-  
larged and improved upon its health  
service by cooperating with doctors and  
local health agencies everywhere. Then  
it went into the business of preventing  
accidents and eradicating disease.

#### Interchange of Human Values

"The Metropolitan was still nothing  
but a business institution," explained  
President Fiske. "That is all it is today  
—but we know much more than we did  
a few years ago as to what the real na-  
ture of business is. We know that health  
pays better than disease. We know that  
life pays better than death. Business,  
as we are beginning to understand it  
now, is not the mere turning over of  
dollars: It is the interchange of human  
values by which everybody is benefited."

When asked about what is going to  
happen in the new world that has just  
been discovered, President Fiske said  
he was not sure but that he did know  
that the world is a friendlier place than  
he ever thought it could be, adding that  
wars do not settle human problems but  
that warm human friendships do.

#### New Science Is Pointed Out

"Social and industrial health is a new  
science, but it is progressing rapidly. An  
industry cannot function properly if the  
workers hate their employers, or if the  
employers do not concern themselves  
with the welfare of the employed. We  
cannot insure an industrial group which

### PROGRAM FOR RESEARCH BUREAU IS ANNOUNCED

### SALES SCHOOL IS SCHEDULED

John Marshall Holcombe, Jr., Will  
Conduct Fifth Spring Conference  
for Life Men in St. Louis

Announcement has been made that  
the fifth spring conference of the Life  
Insurance Sales Research Bureau, con-  
ducted by John Marshall Holcombe, Jr.,  
will open in the Coronado hotel,  
St. Louis, May 23. The conference will  
last three days. On the committee of  
arrangements are the following men:

J. L. Collins, vice-president and su-  
perintendent of agents, New World  
Life; S. W. Goss, vice-president Secu-  
rity Life; J. J. Harrison, vice-presi-  
dent Home Life of Arkansas; W. H.  
Harrison, vice-president and superin-  
tendent of agencies, Atlantic Life; A. W.  
Hogue, vice-president Business Men's  
Assurance; B. W. Lacy, vice-president  
Protective Life; S. L. Lowry, Jr., presi-  
dent Victory National Life; James A.  
McVoy, president Central States Life;  
Hillsman Taylor, vice-president Mis-  
souri State Life; Gordon Thomson, vice-  
president West Coast Life.

"Conservation of Business" is the  
theme of the conference. The program:

May 23, golf and dinner at the Algon-  
quin golf club.

May 24, morning session: Home office  
supervisors or agency assistants. Dis-  
cussion will cover types of men, where  
they are to be found, previous training,  
experience in home offices and field, au-  
thority, basis of compensation, duties in  
the home office and in the field.

Afternoon session: Home office adver-  
tising. Phases of advertising to be dis-  
cussed are national advertising, local  
advertising, radio advertising and ad-  
vertising by mail.

May 25, morning session: The general  
subject will be "Retaining Agents." The  
main sub-subjects are lectures, selling  
the job, training, supervision, sales help.

Afternoon session: "Contests" will be  
the first subject. "Relations with Old  
Policyholders" will be the second. The  
subject will be discussed from the stand-  
point of home office methods with refer-  
ence to their operation to agencies and  
direct with the policyholder.

Another conference of the bureau is  
to be held in Toronto, Ont., June 12-15.

is engaged in industrial war. It must  
be a group. It must be working to-  
gether for a common aim. Even when  
the employer applies independently for  
group insurance, and even when he in-  
tends to pay the whole premium him-  
self, we take pains to assure ourselves  
that the employees want to be insured.

#### Cooperate to Make Groups Insurable

"We do not insure sick people, and  
we cannot offer insurance in factories  
where industrial relations are unhealthy.  
The best we can do in such cases is to  
cooperate with all concerned in trying  
to make these groups insurable. Call it  
social engineering, if you like, or indus-  
trial therapeutics, but it is not charity,  
nor philanthropy, but hard-headed mod-  
ern business."

In a significant answer to a question  
regarding unemployment insurance,  
President Fiske replied: "I believe in  
the principle of insurance against unem-

(CONTINUED ON PAGE 32)

### RESIDENT AGENT LAW IS CALLED INVALID

Constitution Forbids All Discrimi-  
nations Between Citizens in  
Rights and Privileges

### ONE CONTRARY DECISION

South Carolina Act Upheld but Dunham  
Says Supreme Court Must  
Overrule Itself

HOT SPRINGS, VA., May 18.—  
Flatly holding that resident agent laws  
are unconstitutional and of no effect,  
Frederic G. Dunham, recently attorney  
for the Association of Life Insurance  
Presidents, and now a member of the  
legal staff of the Metropolitan Life, read  
a paper on "The Constitutional Aspect  
of the State Resident Agent Laws" at  
the Hot Springs meeting of the Associa-  
tion of Life Insurance Counsel this  
week.

There is, however, one decision of the  
United States Supreme Court to the  
contrary. This was rendered in the case  
of La Tourette vs. McMaster on a test  
of the South Carolina resident broker  
law. Mr. Dunham points out that the  
La Tourette case was submitted with-  
out oral argument and the Supreme  
Court, contrary to its own previous de-  
cisions in innumerable cases, merely  
accepted the interpretation of the word  
"residents" made by the South Carolina  
Supreme Court.

#### Constitutional Clauses Stated

Mr. Dunham's paper reviewed several  
United States Supreme Court decisions  
on which his conclusion was based.  
These dealt with the sections of the  
federal constitution that are involved.  
Article 4, Section 2, provides by its first  
clause, "The citizens of each state shall  
be entitled to all privileges and immuni-  
ties of citizens in the several states."  
The Fourteenth Amendment in Section  
1 provides, "All persons born or natu-  
ralized in the United States and subject  
to the jurisdiction thereof, are citizens  
of the United States, and of the state  
wherein they reside."

The decisions reviewed clearly and  
emphatically hold that no restriction  
even of the slightest nature can be im-  
posed by a state on the rights or privi-  
leges of the citizens of other states that  
does not apply in precisely the same  
way to citizens of the state enacting the  
law. The only exception is the South  
Carolina case and Mr. Dunham implies  
that this decision was an inadvertence,  
and that the Supreme Court must over-  
rule itself on the question if it is again  
presented.

Mr. Dunham further holds that a  
state can not accomplish indirectly what  
it can not do directly. Thus it can  
not discriminate against non-residents  
by using its power over corporations and  
can not require corporations to do busi-  
ness only through resident agents as a  
condition of admission to the state.

## FIGHT INCREASED TAX ON OHIO LIFE INSURANCE

### BILL WAS RUSHED THROUGH

Protests Are Made to Governor on Additional Burden Placed upon Premium Payers of State

COLUMBUS, O., May 18.—Insurance men in Ohio are very much aroused over the sudden passage in both houses of the legislature of a bill increasing taxes on life insurance premiums from 2½ percent to 3 percent. Ohio was already one of the highest states in the Union with its 2½ percent tax, and if this bill is signed by the governor and becomes a law it will have the highest tax on life premiums of any of the larger states. The bill was originated and passed within 24 hours, which gave the insurance men very little time to protest and present their arguments, but telegrams are being sent to Governor Donahey, the life underwriters' associations are at work and the home companies are taking a hand because of the retaliation features of the bill. It is stated that while the tax would raise \$1,000,000 a year additional in Ohio, the tax in other states on Ohio companies would be at least \$500,000.

#### Hold Hearing May 23

Why the legislature of Ohio should have determined suddenly to make this heavy increase in taxation on life insurance is something of a question. Governor Donahey recently slashed the state budget several million dollars and put it up to the legislature to raise the money if the budget cut is to be prevented. Governor Donahey will give a hearing to insurance men on May 23. In the meantime insurance men all over the state are writing him giving reasons why this burden should not be placed on the policyholders of the state, who will have to suffer reductions in their dividends if the bill becomes a law.

The bill applies to all foreign insurance companies, fire, life and casualty. While the law does not affect Ohio companies directly it subjects them to retaliatory measures in other states, so they will be as seriously affected as foreign companies.

#### Conn to Appear for Companies

The insurance interests have employed H. L. Conn, former insurance superintendent, to represent them. It was reported that the Ohio insurance department favored the increase provided by the Myers bill, but this was denied. Governor Donahey has been swamped with telegrams and letters from insurance men urging him to veto the bill. He has ordered that these all be turned over to the insurance men on the ground who are in charge of the fight against the bill.

Scores of luncheon clubs, chambers of commerce, trade associations and even fraternal societies have adopted resolutions condemning the bill, and urging the governor to veto it. Some bank presidents have asked all of their employees to express their protest through letters to the governor.

#### Sharp Editorial Comment

The bill has evoked sharp editorial comment from one end of Ohio to the other. The Cincinnati "Enquirer" calls the bill "A Shot from Ambush." "It is unfortunate," the editorial says, "that legislators cannot think before they act and make more intelligent forecasts of what is likely to be the result of their acts. It shows unwise haste and an intent of deliberate surprise that is a discredit to those who engineered the raid. Here is a measure that the governor may veto without carrying any burden to his conscience."

The Cleveland "Plain Dealer" in a stirring editorial on the bill says, "Many other states have retaliatory insurance regulations which will come into play

## NO STEPS TAKEN TO GET MADDEN'S SUCCESSOR

### MANY ASPIRANTS IN RACE

Not Likely That the Insurance Directors Will Take Up the Subject for Some Time

WASHINGTON, D. C., May 18.—No steps have been taken by the United States Chamber of Commerce to select a manager of the insurance division to succeed James L. Madden, who becomes third vice-president of the Metropolitan Life. The work of the insurance division is functioning very successfully. Mr. Madden has a splendid office organization. It will probably be the policy of the United States Chamber to leave the matter in abeyance until after Mr. Madden leaves. There have been a flood of applicants and there is much pulling and hauling by different interests in favor of this man or that. In fact the directors at this time might be embarrassed in selecting a man on account of the wire pulling that is going on.

The president of the United States Chamber has the appointing power but undoubtedly he will listen very attentively to the recommendation of the two insurance directors viz. President Harry A. Smith of the National Fire of Hartford and President James S. Kemper of the Lumbermen's Mutual Casualty of Chicago. Both men have served as directors for a number of years and are fully acquainted with the policy of the department. Walter L. Crocker, president of the John Hancock Mutual Life and J. Gilbert Leigh of Little Rock, a member of a general agency firm, are directors from their regions, and are likely to be called in consultation. In fact, it is supposed that the insurance advisory committee will appoint a sub-committee to consult with the insurance directors regarding a successor to Mr. Madden.

against every Ohio company the moment this new Ohio law takes effect. Thus the tax increase cuts both ways and allows no escape. What might be thought a simple tax increase thoughtlessly enacted thus ramifies into practically every state, laying a burden on thousands who never heard of the Ohio legislature."

#### Urge Veto by Governor

An editorial appearing simultaneously in the Dayton "News," Springfield "News" and Canton "News" says in part: "About the cheapest and most pusillanimous thing a legislature ever did was to attempt, as the Ohio legislature has attempted, to saddle the state treasury deficit upon the savings of the people of the state. This is what the bill for an increased excise tax on life insurance premiums does. It is a tax that goes back to the payer of the premium, a penalty on thrift. The only excuse for it is the cowardly plea that it takes money from the taxpayer without his knowledge and so does not invite political reprisal. Governor Donahey should veto the Myers bill without hesitation or delay."

#### Actuarial Society Meeting

NEW YORK, May 19.—More than 100 of the country's leading actuaries and executives are expected to attend the regular annual meeting of the Actuarial Society of America which opens here today at the Hotel Astor. As president of the society, Vice-President E. E. Rhodes of the Mutual Benefit will act as chairman of the two-day session which will be devoted to the election of officers for the ensuing year, the discussion of papers presented at the last meeting and the reading of several new papers, the subjects of which have not yet been announced.

## NEW HEALTH RECORD FOR FIRST QUARTER IS MADE

### ALCOHOLISM DEATHS DECLINE

Check in Rising Mortality From This Cause Among Improvements Noted by Metropolitan

The health record of the industrial populations of the United States and Canada was better in the first quarter of 1927 than for the corresponding period of any preceding year according to the report of the Metropolitan Life on its industrial policyholders, numbering more than 18,000,000. The company's policyholders constitute more than one-seventh of total population and more than one-fourth of the urban population of the two countries. The deathrate for the first three months was 9.7 per 1,000. This includes mortality on infants under one year of age among the company's policyholders. The deathrate for white policyholders was 8.9 per 1,000, which represents a decline of 10.1 percent from the rate of the first quarter of 1926, which was 9.9. Among colored policyholders the rate dropped to 15.5, an improvement of 7.7 percent over the figure of 16.8 per 1,000 recorded last year.

#### Tuberculosis Rate Improved

The tuberculosis deathrate of 80.8 per 100,000 among white policyholders marked an improvement of 5.9 percent, as compared with that for the corresponding months of 1926 and stands as a new minimum tuberculosis deathrate by a large margin. There was also a small drop in the mortality from tuberculosis among colored policyholders. The deathrates from heart disease, Bright's disease and cerebral hemorrhage registered declines among white policyholders of 8.2 percent, 9.5 percent and 10.2 percent respectively and there was also an improvement for each of these conditions among the colored policyholders.

#### Pneumonia Mortality Decreases

The death rate among white policyholders from pneumonia amounting to 105.9 per 100,000, was much lower than the figure of 139.5 for the first quarter of last year. There was also a marked decrease among the colored. There was a very large reduction in mortality from influenza, amounting to 39.3 percent among whites and 34.3 percent among the colored.

The measles situation has improved, and the mortality from whooping cough is much lower and that from scarlet fever a little lower. An increase in the diphtheria deathrate has been observed but the diphtheria outlook has improved somewhat in more recent weeks. Another increase in the cancer deathrate is one of the few unfavorable items in the report for the quarter. This increase is confined to white policyholders.

#### Alcoholism Deaths Decline

Alcoholism caused 140 deaths during the quarter, as compared with 168 during the corresponding months of last year, the deathrate declining from 4 per 100,000 in 1926 to 3.2 in 1927, a drop of 20 percent. The Metropolitan Life states that this may indicate a check this year to the rising tendency of the alcoholism deathrate which has been observed in recent years. There was also a 12 percent decline in the mortality from cirrhosis of the liver but an increase in acute poisoning by wool and denatured alcohol.

#### Violent Deaths Increase

Among white policyholders, suicides, homicides and fatal accidents all recorded higher rates for the first three months of last year. Among the colored, the suicide rate rose sharply and that for homicides considerably but the rate for accidental deaths dropped some-

## BENEFIT OUTFITS ACTIVE IN WRITING BUSINESS

### BECOME MENACE IN STATE

Effort Now Being Made in Illinois to Bring Them Under Insurance Department Jurisdiction

The mutual benefit concerns of Illinois which under the law do not come under the jurisdiction of the insurance department are causing much commotion throughout the state. Some of these have extended their line and are very aggressive. They are writing insurance at exceedingly low rates which all intelligent people recognize cannot be maintained. They are assessment concerns and not having to be examined by the insurance department no one can tell their financial situation. In addition some small assessment life companies that are licensed by the department are raiding the state. Even Chicago is infested by some of these outfits.

#### Would Regulate Benefit Concerns

House bill 418, introduced in the Illinois legislature amends the corporation act of 1872 and terminates the charters of these mutual benefit societies. Under this act the present concerns are given six months in which to wind up their business. The concerns provide only benefits for permanent disability. House bill 419 incorporates the mutual benefit associations on the assessment plan intended to provide benefits for widows, orphans, heirs and devisees of deceased members and the members who have received permanent disability. It provides for regulation and control of such associations by the state insurance department. It specifies a membership fee, number and election of directors and prescribes the method of paying benefits, and provides penalties for violation. Both these bills are now on the order of third reading in the house. It is expected that they will pass. They were drawn and backed by the secretary of state and department of trade and commerce.

#### Many Operate in Illinois

There are between three and four hundred concerns operating in Illinois. All that is required is for them to get a certificate of incorporation from the secretary of state but they do not have to report further. Legitimate insurance interests should get behind this measure and bring these concerns under the jurisdiction of the insurance department.

The American Benefit Association of Springfield, Ill., which is offering life insurance at exceedingly low rates throughout the state, is an assessment concern, licensed by the department. A. C. Littlejohn is its chief factor. He also operates one or two mutual benefit societies. Mr. Littlejohn has figured in some spectacular insurance schemes in the state heretofore. Both the office of the secretary of state and department of trade and commerce have been embarrassed by the operations of these mutual benefit societies. They have a trade organization to protect them and are well fortified against attacks.

what. The year has started discouragingly with respect to automobile fatalities, the rate among white policyholders for the first quarter showing an increase of 4.9 percent and that among the colored of 30.9 percent as compared with the corresponding period of 1926.

#### Will Have Special Car

Arrangements have been made for a special car to carry representatives of the Equitable Life of Iowa in New York and adjacent territory to the company's 60th anniversary convention to be held next month at Asheville, N. C. On their return the New York representatives plan to travel by boat via Savannah.



## DISCUSSES CORRECTION OF POLICY MISTAKES

Legal Decisions Bearing on Problem Are Cited by  
G. H. Smith

### ADDRESSES LIFE COUNSEL

Some Difficulties Encountered in Rectifying Errors Made by Company's Employees Are Considered

HOT SPRINGS, VA., May 18.—G. H. Smith, an attorney of the Metropolitan Life, read a paper on "Mistakes in Life Insurance Policies and Some of the Problems Encountered in Their Correction," at the convention of the Association of Life Insurance Counsel here this week. Excerpts from the paper are given herewith:

"If a mistake in the preparation of a life policy is classified as iniquity, then surely the hunt for original sin is ended. Opportunity to express individuality is here unlimited. With all of our checking and rechecking no sufficient system has yet been devised to prevent mistakes. Twenty year endowments are still placed where application is made for 20 payment life; cash surrender and loan values are frequently overstated, while options at maturity are sometimes so generously and lavishly extended as to defy understanding.

#### Policy Not Actual Contract

"If a clear understanding can be had and continually borne in mind, that the policy which is sought to be reformed is not of itself the contract, rapid progress can then be made in the correction of mistakes. The federal court in *El Dia vs. Sinclair*, 228 Fed. 841 reminds us that such agreements are not voidable, as in the case of fraud, but absolutely void, both at law and in equity. In *Mahoney vs. Minnesota Farmers Mutual*, 136 Minn. 34, 161 N. W. 127, the supreme court of Minnesota said that to justify a court in reforming a written instrument it must be made to appear that there was in fact a preliminary agreement expressing in terms the real intention of the parties; that the written instrument fails to embody the real agreement and that this failure was due to a mutual mistake.

#### Relief in Equity

"In *Snell vs. Atlantic Fire & Marine*, 98 U. S. 52, the United States Supreme Court, while not formulating a rule, made a clear and concise statement on the subject of reformation of contracts generally which has been closely followed ever since and I therefore quote from it at length: 'We have before us a contract from which, by mistake, material stipulations have been omitted, whereby the true intent and meaning of the parties are not fully or accurately expressed. A definite, concluded agreement, as to the insurance, which in point of time, preceded the preparation and delivery of the policy, is established by legal and exact evidence, which removes all doubt as to the understanding of the parties. In the attempt to reduce the contract to writing there has been a mutual mistake caused chiefly by that party who now seeks to limit the insurance to an interest in the property less than that agreed to be insured. The written agreement did not effect that which the parties intended. That a court of equity can afford relief in such a case is, we think, well settled by the authorities.'

"Coming to a consideration of those cases where no reformation has been allowed I will say that they are the ones where there has been negligence

## J. BURNETT GIBB RETIRES BECAUSE OF POOR HEALTH

### WILL RETURN TO SCOTLAND

George R. White Is Promoted to Succeed Him as Actuary of Penn Mutual Life

PHILADELPHIA, May 15.—J. Burnett Gibb, who has been connected with the Penn Mutual Life for 27 years, for the last 19 of which he held the office of actuary, has resigned because of impaired health. He will shortly return to Scotland for a period of recuperation and rest. Mr. Gibb, who was educated and took his initial degree in Edinburgh, is an actuary of recognized ability, and a fellow of the Actuarial Society. He is widely known in insurance circles both in America and abroad.

George R. White, who has been associated with the company for nearly 30 years, for 19 of which he has been assistant and associate actuary, has been elected actuary as successor to Mr. Gibb.

on the part of the company employees. These constitute the unilateral mistakes. The decision in *Kimball vs. New York Life*, 106 Atlantic 676, is a typical example. Here the policy had lapsed. The insured failed to apply for paid-up insurance and the company, following policy provisions, endorsed it of its own accord as continued at a reduced amount for a period of over three years. The calculation was wrong because credit was given for an unpaid dividend which should not have been allowed. The policy was consequently continued for a longer period than it should have been. The insured died within the extended period but without the time to which the policy should have been rightfully continued. Reformation by the company was denied, the court basing its decision on the fact that the insured never knew of the mistake; that the endorsement was not a contract and that the insured had in no way participated therein.

#### Relied Upon Guarantee

"In *New York Life vs. Street*, 265 S. W. 396, decided by the Supreme Court of Texas in 1924, the insured paid his premiums in reliance upon a guaranteed cash surrender value of \$2,650 and it was also stipulated that the mistake of writing in this erroneous value in the policy was due to the negligence of the company's employees. The court held it to be a unilateral mistake, but in so doing it emphasized the good faith of the insured; that the stated guaranteed value when compared with other insurance in his possession was a material factor in inducing him to keep the policy. That the action to reform was not brought until after premiums had been paid by the insured for a period of 14 years also influenced the court."

#### Alumni Conducting Drive

During the period from May 16 to May 21 inclusive the Equitable Life of New York is staging a nationwide drive for written business. Only Equitable field courses alumni will participate in the campaign, which is a testimonial to Dr. G. B. Van Arsdall, who closes his 100th school, held in Chicago, on May 21. The campaign, therefore, runs concurrently with the last week of the school.

#### Conference Plans Made

The following meeting dates and places for its annual fall conference have been announced by the Connecticut Mutual Life: Eastern group, New London, Connecticut, Sept. 7-9; southern group, Signal Mountain, Tenn., Sept. 12-14; central group, Chicago, Sept. 15-17; Pacific coast group, Del Monte, Cal., at a date that will be announced soon.

## STUDIES IOWA STATUTES AND COURT DECISIONS

### PECULIARITIES INDICATED

Phineas M. Henry Reads Paper on Subject at Meeting of Association of Life Counsel

HOT SPRINGS, VA., May 18.—At the annual meeting of the Association of Life Insurance Counsel here this week, Phineas M. Henry of the law office of Henry & Henry of Des Moines, counsel for the Equitable Life of Iowa, read a paper dealing with important statutes and decisions of the supreme court of Iowa relating to life insurance, particularly as the statutes and decisions of Iowa differ from those of other states.

#### Must Prove Fraud

The first subject treated was misrepresentations in the application. The statute provides that the company is estopped from raising any such question unless the medical certificate is obtained by fraud. Leading Iowa cases are cited dealing with this statute showing the strict proof required on the part of the company that the insured knowingly deceived the examining physician. Mr. Henry points out that this factor prevents the effectiveness of the clause contained in many policies relating to delivery in good health. Under this statute all knowledge on the part of the agent and the medical examiner is imputed to the company.

#### Provisions for Cancellation

The right to sue for a cancellation of the policy is discussed, as is the admissibility of evidence of the insured's physician. Another topic discussed relates to the meeting of minds of the insurance company and the insured at the time the contract goes into effect, and the taking effect of a policy by delivery under the various clauses in policies relating to delivery. The right to damages for delay in delivery was considered under this heading.

#### Validity of Premium Notes

The validity of first year premium notes unless copies thereof are attached to the policy when issued, is also discussed. The paper takes up the various decisions of the supreme court in disappearance cases and the effect of seven years' absence as proof of death. The exemption of insurance proceeds from the debts of the insured and beneficiary are discussed and the paper ends with a full analysis of all the decisions of the supreme court as to what constitutes death or injury by accidental means when the result of a voluntary act, and the interpretation by the supreme court of the provisions for total and permanent disability benefits.

#### Illinois Bankers Holds Meetings

Officials of the Illinois Bankers Life have been holding a series of regional agency conferences this spring, which are to cover the entire 19 states in which the association is licensed, by the end of June. The meetings began at Indianapolis, followed by one at Chicago, Kansas City, Mo., Wichita, Kan., Oklahoma City, Dallas, Little Rock, Ark., and Detroit. The home office has been represented on these trips by W. H. Woods, president; H. G. Sellman, consulting actuary; A. R. Colvin, superintendent of agents, and A. W. Barnes, advertising manager.

#### Mutual Trust Life Celebrates

The Mutual Trust Life is conducting a drive for new business this month in celebration of the 22nd anniversary of the company's founding. The drive is in the form of a "treasure hunt" and the goal is \$3,500,000 of business. During anniversary month in 1926 the company did \$3,286,861 of new business.

## HEARING IS HELD ON TWENTIETH CENTURY

Seven Companies Appear on Complaints Against Licensing New Company in Ohio

### ADJOURN FOR REBUTTAL

Charges of Raiding and Extravagance Are Made—Array of Counsel Like Murder Trial

With a battery of five representatives of insurance departments on the bench and an array of legal talent like a high-priced murder trial, a hearing was held in Chicago this week on complaints of seven industrial health and accident companies against the Twentieth Century Life. The complaining companies had a truck load of affidavits and a long list of witnesses, but on Tuesday noon the commissioners begged for mercy and the introduction of testimony was suspended.

An adjournment was taken to allow the Twentieth Century to prepare its own evidence to meet that in the record. A new hearing is to be held probably in about 15 days. The Twentieth Century will be given a certain time to answer after the evidence so far introduced has been put in order and a copy furnished the company.

#### What War Means

What war means in the industrial health and accident business was vividly shown in the testimony of agents called off their debits to appear at the hearing. An incident on Tuesday morning was the testimony of one manager about what had occurred the day before, while the hearing was in progress. The complaining companies also announced that they had just learned on Monday of an alleged outbreak in Pittsburgh, shortly following the licensing of the Twentieth Century in Pennsylvania.

#### Purpose of the Hearing

Monday morning was largely consumed in an effort to agree on what the hearing was about. Finally it proceeded on a tacit acceptance of the statement by A. J. Vorys, of Columbus, Ohio, representing the complaining companies, that it was their understanding that the hearing was on the application of the Twentieth Century for a license in Ohio and the protests of the other companies on specific charges that the Twentieth Century was organized and operated for the purpose of raiding the business of the Washington Fidelity National and other companies, and further on the specific charge that the extravagant and unlawful methods in which money was being disbursed for that purpose threatened to impair the solvency of the company.

#### Many Men Take Part

The insurance department representatives were W. A. Robinson, actuary of the Ohio department; Robert E. Daly, actuary, and Henry Ashers, chief clerk, of the Missouri department, and H. U. Bailey, director of trade and commerce of Illinois, and Actuary T. Loyal Anderson of the Illinois department.

The complaining companies that entered their appearance were the Washington Fidelity National, Inter-Ocean Casualty, United States Mutual of Chicago, Kentucky Central Life & Accident, National Life & Accident of Tennessee, American Liability and Missouri Insurance Company. Counsel for the complaining companies were Harry N. Lukins of Louisville, general counsel of the Washington; C. H. Jenkins, Spring-

(CONTINUED ON PAGE 32)



# TO POLICYHOLDERS— \$164,697,403 IN ONE YEAR

That was the amount of The Prudential's disbursements to policyholders during 1926.

*Death claims, disability claims, annuities, matured endowments, settlement of dividends and other items—all obligations promptly and squarely met as the first duty of an organization engaged in a great business.*

**Prudential protection is complete protection.**

So special agents and brokers this Company's Ordinary Agencies, located in all large centers of population, offer a service second to none.



**The Prudential**  
Insurance Company of America  
EDWARD D. DUFFIELD, President  
Home Office . Newark, New Jersey

## INSURANCE FEDERATION OF NEW YORK MEETING

Success of Efforts in Obstructing  
Legislation Is Told by  
Speakers

STATUS QUO PRESERVED

Tendency to Pass Laws Regulating and  
Restricting Business Activities  
Is Deferred

BUFFALO, N. Y., May 18.—The Insurance Federation of the State of New York has perhaps been of greater value to its members and the insurance business of the state in the past year than at any other period of its existence, particularly through its efforts in defeating damaging legislation, it was pointed out at the convention of the organization held here last Friday and Saturday. Secretary Leonard L. Saunders of Albany described some of the work of the association in its defeat of these insurance bills.

### Oppose Government in Business

A. Clarence Hegeman, national counselor of the United States Chamber of Commerce, told of the well organized insurance department of the chamber, through which his group has been especially active in opposing the pernicious principles of government in business. This, he pointed out, was especially applied in the case of what is known as the Fitzgerald bill, introduced by Congressman Fitzgerald of Ohio, providing for a monopolistic fund for the District of Columbia.

### New Officers Elected

Frederic G. Noxsel of Buffalo was elected president of the federation for the coming year. Other officers elected were: Frank P. Tucker, Albany, vice-president; Frank L. Gardner, Poughkeepsie, second vice-president; William H. Heacox, Binghamton, third vice-president, and Clarence A. Hegeman, fourth vice-president. Secretary Leonard L. Saunders was reelected and Alex J. Young of Albany was elected treasurer. Directors for three years are: Charles Beltinger, New York City; James P. Doyle, Oswego; William H. Heacox, Binghamton; John McGinley, New York City; George P. Nichols, New York City; P. J. Burke, Albany; L. H. Bates, Albany; William Foster, Syracuse; W. E. Boyd, Buffalo, and Thomas J. Grahame, New York City. The executive committee is composed of John S. Turn, chairman; L. A. Wallace, Floyd N. Dull, James R. Garrett, Frank J. O'Neill, H. H. Wadsworth, John McGinley, Joseph H. Miller, Theodore L. Rogers, R. J. Graham, W. E. Boyd and Wellington Potter.

### Deplores Law-Making Tendency

Approximately 400 attended the banquet Friday evening. Frank P. Tucker, Albany, retiring vice-president, acted as toastmaster. Congressman Charles A. Freiberg of Buffalo declared that the state is suffering a mania for legislation, that there is an overabundance of laws being enacted. He said that not only individuals but businesses are being engulfed in law. He described as deplorable the fact that today man must adjust himself to law and no longer are laws made for the man. A total of 54 bills was introduced in the past session affecting the insurance business generally and in many instances amending the insurance law.

"The principal defect to our lawmaking system is that practically no attention is given to our ability to enforce

the law at the time it is enacted," the congressman said. "That policy, to a large extent, accounts for the disrespect for law that we find everywhere in this country at this time. The time has come when we must stop this flood of needless laws. There is a legitimate relation between legislation and business."

George E. Turner of Chicago, counsel for the Casualty Information Clearing House, Chicago, was the principal speaker at Friday evening's dinner meeting. He pointed out the value of insurance in its various aspects, all too rarely made clear to the prospective buyer.

### Golf Prizes Awarded

The chief event of interest on the first day of the convention was the golf tournament held under the chairmanship of Charles M. Epes, Buffalo, and James R. Garrett, New York. Charles H. Gardner of Troy was awarded first prize, a pair of book ends, in a 36-hole medal handicap, turning in the lowest net. This prize was donated by Thomas J. Grahame of the Globe Indemnity. The second prize in this event, a humidor, was awarded to F. P. Stanley of the Norwich Union Indemnity. This attractive silver humidor was a gift from the retiring president, Wellington Potter, of Rochester. John S. Turn, resident vice-president of the Aetna Life, won the smoking stand donated by Frank J. O'Neill, of the Royal Indemnity, in the 18-hole match play (handicap against par) for turning in the lowest score. H. H. Wadsworth, Syracuse, won the second prize, gold cigarette box, donated by John S. Turn, Aetna Life. H. W. Steinkamp of Rochester, N. Y., turned in the low gross score in the 18-hole medal free for all, winning a golfer's container, donated by Edson S. Lott, president of United States Casualty. A beautiful hammered silver shaker donated by John A. Eckert, New York City, fell to F. L. Fortmiller, Syracuse, winner of the second prize. A. G. Hall of the "Insurance Advocate" won a crystal ice pail and silver tongs, a gift of Charles D. Hilles, of the Employers Liability, as first prize in the 18-hole medal kickers' handicap.

## REPORT ON MANHATTAN LIFE BY NEW YORK DEPARTMENT

The triennial report of the New York department on the Manhattan Life shows that the net increase in insurance in force in the period 1923-1926 amounted to \$5,078,025, the total at the end of last year being \$76,048,226. The report makes some criticism of the company for its failure to elect a full board of directors and for one or two minor expenditures. It is shown that admitted assets as of Dec. 31, 1926, were \$19,120,187 after deduction of \$301,063 of non-admitted assets from the total as reported by the company. The average rate of interest earned by the company on its invested assets decreased from 4.58 per cent in 1922, to 4.31 in 1925, but rose to 4.67 per cent in 1926. The surplus as of Dec. 31, 1926, amounted to \$349,121. The report states that by the disposal of the company's home office building at 64-70 Broadway in 1926, the income from investments was somewhat improved.

### Opens Home Office School

The Business Men's Assurance will open a home office school of salesmanship May 23. The school will be under the direction of C. W. Rogers, director of field service.

### Los Angeles at the Top

When all agencies of the Bankers Life of Iowa produced and paid-for business amounting to \$22,903,845 in April, they registered a gain of 187.6 per cent over their combined monthly quotas. The highest gain among the individual agencies was that of the Los Angeles, agency, which produced business of \$1,517,500 for an agency gain of 325 per cent.

# Do You Live

## in a City of 50,000 or less?

????????????

### HAVE LAPSES? THEN READ THIS

You know as a life insurance man that more than 90 per cent of all lapses occur during the second or third year that the policy is in force. If you can collect the second premium and then the third premium you are pretty sure to keep the policy on the books. That is the experience of life insurance companies all over the country. If the policyholder gets by the first two or three years without lapsing or trying to lapse he is very likely to go right along paying his premium year after year unless something very unusual happens.

If you could buy an insurance policy that would guarantee to you that all or practically all of the new cases you wrote would not lapse or even try to lapse during the first two or three years of the policy you would be mighty glad to buy such an insurance policy and would be willing to pay a reasonable charge for it.

Right after you have sold a policyholder and he has paid his first premium you will put him on your mailing list and for eleven months have him get the Estate-O-Graph there will be very little possibility of his trying to drop his policy when you send him the second year's premium notice. Why?

Because for eleven months he will be getting every conceivable kind of an argument as to why he should carry life insurance and plenty of it.

He will be getting these arguments and thoughts in an attractive picture form. He will be having visualized for him the benefits and needs of life insurance. Having just bought a policy from you the general subject of life insurance will naturally be in his mind, and these Estate-O-Graphs will come along month after month to reinforce what you have already told him. Through the Estate-O-Graph he will be made to feel that in buying life insurance he has done a good thing, and that perhaps he should even have more of it. Every thought that the Estate-O-Graph will carry to him will be constructive and designed to make him satisfied over what he has bought from you.

Then after he has been on the books for two or three years you may perhaps feel inclined to take his name off the mailing list and to put on, as you go along, the names of all of the new cases that you write. If you do this you will be using the Estate-O-Graph as a sort of an insurance policy against lapses. Through it you will be, in effect, insuring your nine renewal commissions. Wouldn't it be worth the small monthly charge that we make for the Estate-O-Graph to be certain in your own mind that all of your new business would stay on the books and that you would not have to worry about it any more than you do about your secured business.

Then you can get the exclusive franchise on the Estate-O-Graph in your community—PROVIDED, of course someone has not secured it ahead of you!

The advertising problem for life insurance men is solved. The idea which has made possible the instant success of the tabloid newspaper, the popularity of the rotogravure picture sections of the Sunday newspapers has now been applied to life insurance selling.

"One picture is worth a thousand words," says an old Chinese proverb.

The Estate-O-Graph capitalizes this picture idea to effectively aid the life insurance man to build his business.

The Estate-O-Graph is an eight-page rotogravure picture section

### EXCLUSIVE FRANCHISES

Now Being Granted  
For As Low As  
\$8.00 A Month

If you live in a city of 15,000 or less you can secure the exclusive franchise on the Estate-O-Graph for \$8.00 a month. There is nothing on the market at any price that compares with the Estate-O-Graph as a builder of business.

Think of it—your own house organ in rotogravure—the most expensive way of printing a small house organ—for the ridiculously low price of \$8.00 a month.

The rate for exclusive franchise in your community depends upon its population. Use the coupon today and get your quotation before the exclusive franchise in your city is granted to somebody else.

which presents the story of life insurance through pictures, news photos, news articles and charts to your prospects and clients.

The Estate-O-Graph will do what you have probably wished to do ever since you entered the business—CALL EACH MONTH ON YOUR PROSPECTS AND POLICYHOLDERS and do so without becoming a nuisance to them.

If you have not read the advertisement announcing the Estate-O-

Graph which appeared in last week's National Underwriter do so now—send in the coupon below. To delay may cost you the privilege of having this greatest of business builders for your very own.

### TEAR THIS COUPON OUT NOW

THE NATIONAL UNDERWRITER CO.,  
1362 INSURANCE EXCHANGE,  
CHICAGO, ILLINOIS.

I live in a town of not more than 50,000 population. I am interested in an exclusive franchise for the Estate-O-Graph in my community. With the understanding that this places me under no obligation to purchase, rush me the cost and further particulars.

NAME .....

STREET..... CITY.....

For agents who live in cities over 50,000 another attractive proposition is being offered. Write for it now. STATE .....



# Fifteen Thousand Opportunities

"Sales Promotion Division,  
Agency Dept.,  
Union Central Life Ins. Co.,  
Cincinnati, Ohio:

"On Monday Mr. A. H. H. received the booklet 'How I Solved the Life Insurance Problem.'

Monday night he read the booklet carefully. Tuesday morning he came into our office and took out an additional \$5,000 policy."

This letter from one of our Texas agents is one of many similar communications we have received during the last two months, telling of actual results from the Union Central's 1927 circularization campaign among old policyholders.

Two hundred, sixty thousand Union Central policyholders were circularized with a letter offering one of our new booklets. Fifteen thousand replies were received and more are coming in every day.

While the chief purpose was to offer service to our policyholders, our agents have followed up these fifteen thousand leads with astonishing success in writing new business.

—Just one more of the Home Office enterprises which help swell the monthly commission check for Union Central agents.

**The Union Central Life  
Insurance Company**  
CINCINNATI

Founded 1867

JOHN D. SAGE,  
President

## DISCUSSES OHIO LAW ON MISREPRESENTATION

F. J. Wright, Assistant Counsel  
Midland Mutual Life, Analyzes  
Decisions

## PROTECTS POLICYHOLDERS

Misuse of Technicalities by Companies  
to Defeat Recovery Led to  
Passage of Statute

HOT SPRINGS, VA., May 18.—The Ohio law governing misrepresentation in applications for life insurance, section 9391 of the general code of Ohio, was discussed at length before the Association of Life Insurance Counsel in convention here this week, by F. J. Wright, assistant counsel of the Midland Mutual Life of Columbus, O. Following are extracts taken from Mr. Wright's paper:

"One of the indispensable requisites of a valid contract is that there must be a 'meeting of the minds' of the contracting parties. It sometimes happens that after the parties have entered into what they supposed was a binding contract it turns out that they were mutually mistaken or that one of the parties was guilty of fraud, misrepresentation or concealment, respecting a material matter concerning which they attempted to contract. Strictly speaking, if any of these things occur there is no 'meeting of the minds' and consequently there is no contract. And this is generally true even though the party making the misrepresentation of a material fact was entirely innocent and blameless in so doing. But in order for one of the parties to avoid a contract on any of the grounds stated, the courts have generally held that he has the burden of proving the same by clear and convincing evidence.

### Defenses Were Abused

"These principles were early availed of by life insurance companies to prevent frauds being perpetrated upon them by applicants. But in some cases companies went further and urged a technical application of these principles in order to defeat recovery under policies in cases where the beneficiaries were justly and equitably entitled to recover. As a result a prejudice against life insurance companies grew up in the minds of courts and legislators. In order to prevent injustices these elementary principles of contract law yielded to strange treatment at the hands of the courts in cases involving life insurance contracts. In 1873 this situation was apparently brought to the attention of the legislature of Ohio and it accordingly enacted what is now known as Section 9391 of the general code of Ohio. It has undergone but slight change since its original enactment and reads as follows: 'No answer to any interrogatory made by an applicant, in his or her application for a policy, shall bar the right to recover upon any policy issued thereon, or be used in evidence upon any trial to recover upon such policy, unless it be clearly proved that such answer is willfully false, was fraudulently made, that it is material, and induced the company to issue the policy, and that but for such answer the policy would not have been issued; and, also that the agent or the company had no knowledge of the falsity or fraud of such answer.'

### Not Derogation of Common Law

"It has been argued that this statute is in derogation of common law and should therefore be strictly construed. The courts of Ohio have never adopted this view. In so far as it applies to cases

of fraud it is submitted that it is not in derogation of the common law except to the extent that it requires the company to prove that neither it nor its agent had knowledge of fraud. The elements of common law fraud and deceit are substantially the same as those mentioned in the statute.

"It would scarcely occur to the constitutional lawyer of today that the constitutionality of the statute might seriously be questioned. In 1901 states rights were not so well defined or liberally recognized as now and the question was raised. Both the supreme court of Ohio and the Supreme Court of the United States, sustained the constitutionality of the statute. It was held that the legislature of Ohio had the power to define the public policy of the state in respect to life insurance and to impose such conditions on the transaction of business by life insurance companies within the state as was deemed best.

### Governed by Ohio Law

"In 1893 a policy containing a provision that it should be regarded as a New York contract came before one of the Ohio circuit courts. (Ins. Co. v. Block, 12 O. C. C. 244; 6 O. C. D. 166.) In this case the company insisted that by reason of this provision the laws of New York, which gave full force and effect to false warranties in an application, applied in regard to the construction of the contract and that Section 9391 was not applicable. The court, however, held that since the insured resided in Ohio and the company was doing business in Ohio and had complied with conditions of the statute permitting it so to do, the parties to the contract could not, by agreement, evade the law of Ohio founded in public policy.

"The question has arisen as to whether or not the statute applied only to the original application or also to an application for reinstatement of a lapsed policy. It is believed that the courts have properly held that it applies equally to an application for reinstatement.

### Fact, Not Statement, Essential

"Perhaps the most important case to come before the supreme court of Ohio was the Howle case. (Ins. Co. v. Howle, 62 O. S. 204; 56 N. E. 908.) This case involved a policy which contained the provision that no obligation was assumed by the company unless upon the date of the policy the insured was alive and in sound health. It will be observed that this provision was in the policy, not the application. On the one hand it was argued that notwithstanding this provision of the policy, the statute applied and the insurance company had the burden of proving all the elements of fraud mentioned in the statute. On the other hand it was contended that the provision contained in the policy was a condition of the contract and that the statute had no application. The court held: 'The matter of life and sound health is not made to depend upon her knowledge thereof, but upon the fact itself. She might be dead and not conscious of it, and she might be in unsound health and not know it, but either would alike defeat a recovery. The court mixed the law as to the condition in the policy with the law applicable to answers to interrogatories in the application, and thereby committed an error. False answers to interrogatories are governed by section 3625 R. S. (now §9391 G. C.) but that section has no application to conditions contained in the policy itself.'

### No Decision Interpreting Language

"It will be recalled that the statute provides that: 'No answer to any interrogatories made by an applicant in his or her application for a policy, shall bar the right to recover upon any policy issued thereon or be used in evidence upon any trial to recover on such policies, etc.' No case has been found in which the precise meaning of this language was under consideration. It will be observed that the failure of the company to meet the requirements of the statute has two results: No answers to



## "OLD IRONSIDES"

### Have You Contributed to the Restoration Fund?

The John Hancock Mutual Life Insurance Company of Boston received the following request from a well-known underwriter:

"I notice in the March issue of *The John Hancock Signature* a reference to 'Old Ironsides.'

"One of my associates in the office has asked me to obtain if possible one of these pictures, and I would like to have one myself. Therefore I am enclosing my check in the amount of fifty cents."

While the John Hancock is not acting as agent for the Navy Department in the sale of pictures, the Agency and Clerical Force, as well as Home Office executives, are all working to keep "Old Ironsides" afloat.

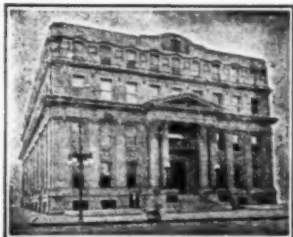
If any underwriter wishes to secure this beautiful reproduction of the "Old Ironsides" painting by Gordon Grant, noted marine artist, and will send in 25c, we will see that he gets the picture and the Navy Department the money. Address Inquiry Bureau, 197 Clarendon Street, Boston, Mass.



OF BOSTON, MASSACHUSETTS

197 Clarendon St., Boston, Mass.

Sixty-four years in business.  
Now insuring Two Billion Five Hundred Million Dollars on nearly 6,000,000 policies.  
Safe and secure in Every Way.



## BANKERS LIFE INSURANCE COMPANY OF NEBRASKA

Assets \$29,400,000

Insurance in Force over \$118,000,000

Issues up-to-date Policies, both Participating and Non-Participating, with Double Indemnity and Disability Benefits.

For many years the Bankers Life has had more insurance in force in its home state than any other company, and all of its business has been written by its own agents.

Forty years of successful and conservative management have resulted in financial statements and in dividends to policyholders unequaled in insurance history.

Having laid a foundation broad enough and strong enough for a building of any size, the Company is now ready to erect the superstructure.

If you wish to invest your time and energy where it will make the largest returns in money, satisfaction, peace of mind and pride in the institution you represent, it will pay you to investigate.

LET THE BANKERS LIFE BE YOUR BANKER

Opportunities Are Open for Producers, General Agents and Supervisors in the Following States:

PENNSYLVANIA  
UTAH  
IDAHO  
IOWA  
OKLAHOMA

SOUTH DAKOTA  
KANSAS  
ILLINOIS  
WYOMING

NEBRASKA  
MICHIGAN  
OREGON  
DISTRICT OF COLUMBIA

OHIO  
WASHINGTON  
WEST VIRGINIA  
MISSOURI

For full particulars address

**HOME OFFICE, LINCOLN, NEBRASKA**

# INDIANAPOLIS LIFE INSURANCE COMPANY

**GROWING STEADILY**

INSURANCE IN FORCE

1905	\$325,000.00
1906	1,281,909.93
1907	2,158,315.62
1908	2,344,449.12
1909	3,037,135.59
1910	3,760,237.71
1911	4,451,264.48
1912	5,756,690.86
1913	7,011,554.27
1914	8,655,788.49
1915	10,231,921.21
1916	12,021,820.06
1917	13,665,053.54
1918	15,532,346.26
1919	20,456,374.44
1920	27,006,018.90
1921	31,275,345.88
1922	35,236,427.74
1923	40,882,131.98
1924	46,628,369.17
1925	54,432,038.01
1926	64,065,097.61
1927	69,000,000.00

PURELY MUTUAL      LOWEST NET COST

ANOTHER EXTRA CASH DIVIDEND

From November 20, 1926, to November 20, 1927, in addition to the regular dividend, another Extra Dividend of 20 per cent of the regular dividend will be paid to Policyholders.

OPERATING IN

Indiana, Illinois, Michigan, Ohio, Texas, Minnesota,  
Iowa and Florida

Attractive Agency connections direct with Home Office

ADDRESS

Frank P. Manly  
President

OR

Joe C. Caperton  
2nd Vice Pres. & Agency Manager

interrogatories shall 'bar the right to recover' and such answers shall not 'be used in evidence.' The doubt arises as to that part which provides that the answers shall not be used in evidence. It is almost the universal practice to attach and make the application a part of the policy. In this situation the plaintiff, unless the state of the pleadings makes it unnecessary, is required to introduce the policy in evidence. This, of course, carries with it the answers to the interrogatories so that in such a case the only question is as to whether or not the answers were made under such circumstances as to bar recovery. Where the company is forced to offer the answers as a defense it would seem that the court has the duty of determining at the outset the admissibility of the answers under the statute. The court, in one case, said, by way of obiter, that if the statute means anything it is that before the answers to questions may be offered in evidence the company must show that they are within the provisions of the statute.

#### Must Clearly Prove Fraud

"Coming now to the elements of fraud and misrepresentation it will be observed the statute requires that the company must prove that the answer in the application is 'willfully false, was fraudulently made, that it is material and induced the company to issue the policy and that but for such answer the policy would not have been issued.' It is said in a well considered case: 'This section may be taken as declaring the general rules of law relating to actionable fraud or deceit at common law. Relief may not be granted unless the misrepresentations were willfully made with respect to a material matter and were relied upon and induced the making of the contract. . . . The burden of proof is always upon the party asserting the fraud, and one will not be found guilty of perpetuating a fraud unless it be clearly proved.' Since the plaintiff is entitled to the most favorable inference to be drawn from the evidence it is, in most cases, a question for the jury to determine whether the answers were willfully false and fraudulently made."

#### Opens Nashville Office

With a view to rendering more prompt and efficient service to its patrons throughout Tennessee, the Hooper-Holmes Bureau has established a branch office in the Independent Life building at Nashville. Harry M. Paris, its manager, has been connected with the bureau for the past five years, first at Minneapolis and subsequently at Chicago. The Nashville branch is the fifth opened by the bureau in the past 13 months, the other offices being those at Washington, D. C., Richmond, Charlotte and Salt Lake City.

Edward King, who has been the bureau's manager in Florida for some time, has been called to the head office in New York City to assume the editorship of its house organ, the "Ounce of Prevention."

#### May Is "Manly Month"

May is "Manly Month" with the Indianapolis Life in honor of President Frank P. Manly, whose birthday comes on May 28. There will be an agency reunion at the end of the month and Mr. Manly will act as host for the home office staff at his country home on his birthday as usual. In May each year all records for new business in a single month have been broken by Indianapolis Life producers for several years past in honor of Mr. Manly and the mark has been set at \$3,000,000 of new business for May this year.

#### Company Expands Territory

Licenses to do business in Delaware and Missouri have been granted the Union Labor Life of Washington, D. C. The company has applied for admission to all American and Canadian jurisdictions.

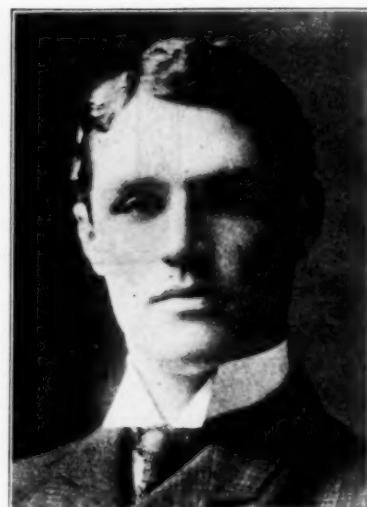
## DISCUSSES POLICY AS RECEIPT OF PREMIUM

Eugene J. McGivney Cites Court  
Decisions Dealing with  
Subject

### CLEAR PROVISION NEEDED

Acceptance of Partial Instead of Full  
Premium Without Specific Agree-  
ment May Cause Trouble

HOT SPRINGS, VA., May 18.—Eugene J. McGivney, general counsel of the Pan-American Life of New Orleans, read a paper on "When the Policy Acknowledges Receipt of the Premium"



EUGENE J. MCGIVNEY  
General Counsel, Pan-American Life

at the annual meeting of the Association of Life Insurance Counsel here this week. He stated as his conclusion from the study of legal decision on the subject that the safe plan is for the insurer delivering a policy upon payment of less than the full annual premium to recite carefully in the policy the right of the insured to pay the lesser sum, to carry the insurance for a lesser period than one year, or in lieu of such a recital in the policy itself, to procure an amendment to the application signed by the insured when the settlement is made. Otherwise, unless the case is tried in one of the jurisdictions where it is settled that the question of payment may always be shown aliunde, the insurer may be called upon to boil down the confusing mass of irrelevant cases which will probably be loosely cited against it.

#### Neither Party Bound

He quoted at length from the case of New York Life vs. Morris, 102 Sou. Rep. 71, advance sheet No. 2, Jan. 17, 1925, the syllabus of which reads as follows: "Where a life insurance policy provides for the payment of the premium in quarterly installments, which shall maintain the policy in force for three calendar months, and that the payment of such premiums shall not maintain the policy in force beyond the date when the next payment becomes due, except as to benefits provided for after default in premium payments, the contract binds neither party beyond the quarter for which payment has been made, except at the option of the insured, and this is true although the policy further provides that any unpaid premiums required to complete pay-



ments for the current insurance year in which death occurs shall be deducted from the amount payable thereunder." This line of reasoning was followed also by the court in the case of Ponder vs. Lamar Life, reported in 6 Fed. (2nd) 294, and affirmed by the United States circuit court of appeals for the fifth circuit reported in 12 Fed. (2nd) 257.

#### Verdict for Beneficiary

In the case of Britton vs. Metropolitan Life, 165 N. C. 129, Anno. Cases 1915, D. 363, 80 S. E. 1072, the policy provided only for payment of semi-annual premiums, but the insured asked leave to pay the premium quarterly and in the trial attempted to prove that such an arrangement was made by the defendant's agent before the policy was delivered. The home office sent out a quarterly receipt, but it could not be found. The company claimed that the policy had lapsed at the end of the first quarter, but at the end of the trial the court ruled that all such evidence should be excluded and directed a verdict for the beneficiary. It was held that under the restricted provisions of the contract this could not be done, for in order to do so it was necessary to prove an independent contract upon the subject of payment of premiums different from that stipulated in the policy, and that to permit such a course would violate the well-known principle of law that in the absence of fraud or error what was said or done at the time or before the signing of an agreement cannot be shown to alter or modify its term, but that the contract is conclusively presumed to evidence the true intention of the party.

#### Paid Bi-Monthly Premium

In Mutual Reserve vs. Heideo, 8 Cir. C. A. 151 Fed. 535, the policy was issued in lieu of one formerly held by the assured and the stipulation with reference to the premium was "in consideration of the application" and the surrender of the form of policy "and of the first premium of \$145.45 to be

actually paid in cash on or before the delivery hereof and upon condition of the payment of the same amount in advance on the first day of the month of June in every year during the continuance of this policy. This contract shall not take effect until this policy is delivered to the insured in person and the first premium is paid in cash." The defendant offered evidence to show that after the policy was issued the insured paid a bi-monthly premium and that during the remainder of the year no further bi-monthly premium was paid. Objection was made by the plaintiff upon the ground that the defendant having delivered the policy, it was estopped to deny the payment of the full amount of the year's premium.

#### Contract in Existence

The court said that the delivery of the policy with the clause above included was an acknowledgment that the premium had been paid and estopped the company from "denying that the contract of insurance was in existence and that it was effective from the time of delivery of the policy until it was forfeited for some other reason than failure to pay the first annual premium when it became due," but the court "did not estop the company from proving by a written contract made before or at the time the policy was delivered, that an extension of time for the payment of a part or all of the first premium to subsequent dates was given, and an agreement made that, if the deferred payments were not then made, the policy should cease, and that failure to make such deferred payments at the time specified by such agreement would be fatal to the continuance of the policy." The court held that competent evidence that the annual premium was not paid when the policy was delivered and that a portion had never been paid was therefore admissible, though it was insufficient evidence to sustain the defense.

Mr. McGivney quoted other decisions applying to this subject. He declared that even went with a policy designed

### Rulings on Federal Income Taxes Levied on Insurance Proceeds

BOSTON, May 18.—Realizing that there has been considerable confusion as to federal income taxes on life insurance proceeds payable to individual beneficiaries in income or installment forms, Franklin W. Ganse of Boston sought and obtained an interview in Washington recently with the rules and regulations department of the income tax division of the Federal Internal Revenue Department, at which time questions were asked, discussed and answered as below set out.

1. The company holds proceeds during beneficiary's life and pays her the income only.

Answer: Under the revenue act of 1926 such interest is unquestionably taxable as income.

#### Tax Interest as Income

2. The same form of payment, but with a very small annual amount of principal also to be paid to the beneficiary which some underwriters think will relieve the entire annual payment of federal income taxes.

Answer: The interest paid would unquestionably be taxed as income; the additional payments out of principal, if large, would be considered proceeds and

to permit installment payments, unless every detail of the plan is carefully stated in the policy, decisions dealing with the effect of delivery of policies without collecting the full premium present a wide field of judge made law. Under these decisions, based upon the doctrine of waiver and estoppel, varying in different jurisdictions, the insurer may well have in mind the effect of such delivery when drawing policy contracts or when deciding the question of liability under different forms of policy contracts already issued.

not taxed, but if small would be treated as additional interest and taxed.

3. The company pays the beneficiary in installments running over a fixed period.

Answer: Divide the commuted value of the proceeds by the number of years during which they will be payable and the resulting amount is proceeds and free of tax; but the additional payment made each year is interest and is subject to tax.

#### Commuted Value Tax Free

4. The company pays the beneficiary in installments running over a fixed period but with installments payable for life of beneficiary.

Answer: In this case the separation between principal and interest cannot be made annually, therefore proceeds are free until they exceed the commuted value of the policy at time of death; all above that sum, whatever received, must be reported as income.

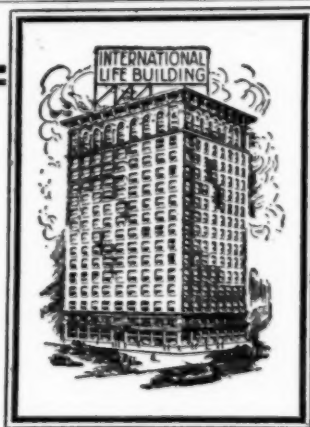
5. Proceeds used to buy an annuity for the beneficiary.

Answer: The answer to this is the same as that for question 4.

There seems to be only one safe principle to bear in mind in connection with this whole matter, namely, that proceeds or principal are free from federal income taxes, and that interest or income is taxable. With this in mind, it is not very difficult to decide what share of the payments to be received by the beneficiary will be taxable.

#### New Offices for Sun Life

The Sun Life has been licensed in Florida. The company opened a new office May 1 at Greensboro, N. C., which will have the state as its territory. An office at Portland, Me., has also been established, while another office was opened up the middle of May at Spokane, Wash. The latter office will cover western Washington and northern Idaho. The company has been licensed in Idaho for some time but has written no business there.



"A Company  
willing to Pay  
the Price Required  
to Give Service"

## Horse Racing

The life underwriter probably cannot pick the Derby winner. If he does it's just a good guess.

But when he picks the International Life Insurance Company for his connection he has picked a winner—

There's no guesswork to it.

The International Life furnishes a complete line of policy contracts which combined with Home Office aid and cooperation makes every International Life man a winner.

## International Life Insurance Co.

St. Louis, Missouri

W. K. WHITFIELD, President

DAVID W. HILL, 1st Vice-President

W. F. GRANTGES, Vice-Pres. and Gen'l Mgr. Agents



# More Than Ordinary Opportunity Awaits

the man who secures and builds an agency with the American Central Life Insurance Company, which is 28 years old, has over \$200,000,000 in force, and operates in 24 states.

## DISTRICT MANAGERS

are offered contracts scientifically designed to yield a generous compensation in proportion to results obtained in agency development.

The most modern methods of selecting and training new men coupled with active co-operation by trained territorial Superintendents of Agencies, render organization work with the American Central very profitable and pleasant.

# AMERICAN CENTRAL LIFE

INSURANCE COMPANY  
INDIANAPOLIS

Old Line Legal Reserve  
Established 1899

HERBERT M. WOOLLEN, President

## NEW BUSINESS SHOWED GAIN OF 5.3% IN APRIL

### RECORD FOR FOUR MONTHS

Increase for the Year Up to May 1  
Was 4 Percent on All  
Classes

NEW YORK, May 19.—New life insurance production during April was 5.3 per cent greater this year than in 1926. Such writings during the first four months of this year were 4 per cent greater than during the corresponding period of last year. These results are shown by a compilation forwarded by the Association of Life Insurance Presidents to the United States Department of Commerce. The report combines the records of new life insurance production—exclusive of revivals, increases and dividend additions—of 45 member companies having 81 per cent of the total life insurance in all United States legal reserve companies.

### Average Gain Is Shown

For April, ordinary insurance amounted to \$750,000,000 as against \$675,000,000 in 1926—a gain of 11.1 per cent. Industrial amounted to \$227,000,000 in 1927 as against \$216,000,000 in 1926, a gain of 5.5 percent. Group was \$46,000,000 as against \$81,000,000 last year, a decrease of 43 per cent. The aggregate of all classes amounted to \$1,023,000,000 as against \$971,000,000 in 1926—a gain of 5.3 per cent.

### Gain for Four Months

For the four-month period, new ordinary insurance amounted to \$2,693,000,000 against \$2,557,000,000 during the corresponding period of last year—a gain of 5.3 percent. Industrial equalled \$861,000,000 against \$848,000,000, a gain of 1.6 percent. Group was \$291,000,000 against \$292,000,000, a decrease of 6/10 of 1 percent. The total life insurance written during the first four months of 1927 amounted to \$3,845,000,000 against \$3,698,000,000 during the same period of 1926—an increase of 4 percent.

## W. W. KLINGMAN BOARD GUEST

Equitable of New York's Minnesota  
Manager Addresses Company Rep-  
resentatives at New York Meeting

NEW YORK, May 18.—The board of managers of the Equitable of New York, consisting of the 37 managers operating in Greater New York, had as their guest at this week's meeting W. W. Klingman of St. Paul, manager for the company in Minnesota, whose agency is producing at the rate of \$50,000,000 this year.

Leslie C. York presided, introducing Mr. Klingman, who spoke on the advantages of agents in the eastern territory, and Vice-president Frank H. Davis, who thanked the managers present for their splendid efforts in making an unparalleled success of the Judge Day testimonial campaign in April.

### Urges War Risk Aid

Roy H. Heartman, agency manager of the Central Life of Iowa, has sent out a letter to all agents of the company in which he says:

"The attention of all Central Life field men is called to President Coolidge's recent proclamation urging reinstatement of war risk insurance policies and naming July 2 as final date for such reinstatement. All life insurance men should go out of their way to help ex-service men to understand that they can not but lose in giving up their war risk insurance. Whenever you have the opportunity, urge the ex-service men to keep their government insurance."

## PRUDENTIAL PEOPLE GO ON MONTREAL SOJOURN

### CHARTER A SPECIAL TRAIN

Some 650 Members and Friends of the  
Athletic Association Plan to  
Invade Canada

NEWARK, May 19.—One of the largest and longest excursions ever to leave the country from this state is scheduled to start from New York City May 27, when a special train of 12 all-steel coaches of a new type with reclining seats will depart for Canada with 650 members and friends of the Athletic Association of the Prudential. All available accommodations have already been reserved and more than 200 other persons are anxiously waiting to snatch up any reservations that may be cancelled.

Leaving New York at 8:30 p. m., the train will arrive in Montreal at 7 o'clock the next morning. The sight-seers will roam in and about Montreal until Sunday evening, when they will board their special to return home, arriving in Newark on the morning of Decoration Day. Headquarters in Montreal will be made at the Windsor Hotel, where Dr. C. T. Brown and Mrs. Linnie Kinniburgh, the physician and the nurse of the Prudential Infirmary, will be in attendance, as also on the train to care for the guests of the association during the entire trip.

## JUDEA LIFE STARTS WRITING

Company, Organized Last November,  
Is Subsidiary of Judea Insurance  
of Palestine

NEW YORK, Nov. 19.—The new Judea Life, which was chartered under the laws of this state on Nov. 6 last, will begin doing business this week at its offices at 44 East 23rd street, according to an announcement made here yesterday by Col. Francis R. Stoddard, former New York insurance commissioner, who is general counsel of the new organization.

The Judea Life, which was incorporated with a capital and surplus of \$200,000 by American representatives of the Judea Insurance Company, of Palestine, which in turn is owned by the Judea Industrial Corporation of New York with an authorized capital of \$1,000,000 subscribed by more than 5,000 American Zionists. It is subsidiary to the Judea Insurance of Palestine, which began to transact business in Palestine, Egypt and other countries of the Near East in June, 1925, and since then has written more than \$2,000,000 of business.

The general purpose of the new corporation will be to interest policyholders in the Zionist movement and cooperate with its parent companies in their aim to develop trade and industry in Palestine and surrounding countries. From dividends earned on its own stock the Judea Life will create a fund to be used in this cooperative movement, but only to the extent authorized by the New York laws.

The actuary and manager of the new company is Morris Pike, formerly an examiner of the New York insurance department. Dr. Isaac Sossnitz is the medical director. Prof. S. B. Ackerman has been appointed to act as consultant and educational adviser.

### Detroit Life Figures

At the annual meeting of the Detroit Life, President M. A. O'Brien announced that the insurance in force now totaled \$65,000,000. The assets are \$6,264,892 and the policyholders' surplus \$712,815.

Noble & Noble, general agents at Omaha of the New England Mutual Life, have moved from 300 Peters Trust building to 220 Union State Bank building.

## AS SEEN FROM NEW YORK

BY G. F. WILLISON

### SELLING LIFE INSURANCE TRUSTS

One large agency here that has been most successful in trust company cooperation work makes its first contact with likely prospects, those with incomes of \$10,000 or more, by sending out a letter reading somewhat as follows: "A most interesting little book dealing with the facts about life insurance trusts has been prepared by the A-B-C Trust Company. It contains information vitally important to all holders of life insurance policies. We have secured a limited number of copies and are reserving one for you. The book will show you how old insurance can be placed in trust so that you do not need to take out additional insurance to create a life insurance estate. Just fill in the enclosed card and we will at once send you your copy with our compliments and without obligation to you." On the card is this line to be filled out: "I was born on the..... day of....., 18....."

Responses to the letter have averaged about 5 percent. On life insurance trust work agents rarely do business on the first interview. In fact, the plan is used merely to smoke out prospects. In taking the book to a prospect who has asked for it, the agent easily gets by the secretary and is well on his way toward his two objectives: To present the book in person, thus making a contact and getting acquainted with the prospect, and to get him and the trust representative together. If an appointment between them is arranged, the agent should be just as careful to see that it is kept as if he had made an appointment for his medical examination. Finally, he should keep in close contact with the trust representative who is to go over the prospect's affairs. As the latter blocks out a trust plan for the client, he will discover in most cases a need for additional insurance.

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### CIRCULARIZATION PAYS

"I am convinced that if an agent will keep at it over a long enough period of time, circularization will net him \$60,000 of paid-for business a year per every 1,000 names circularized," recently declared John C. McNamara of the Guardian Life, who has built up an agency here with an annual production of more than \$11,000,000. Citing concrete figures, Mr. McNamara said that his agency got 14 replies from 1,000 names recently circularized. As all of these replies requested additional information by mail, a second letter was sent to them. Of the two who answered this second letter, one was written for \$15,000 and the other is a good prospect for \$100,000 soon, said Mr. McNamara. In following up the 12 who did not answer the second letter, two were written for \$24,000 each, one for \$15,000 and both the other two had already bought insurance between the day they received the letter and the day the McNamara agent called, showing that the letters had quickened the interest of both in life insurance. In addition to the \$100,000 policy in prospect, this particular list of 1,000 names netted \$78,000 of paid-for business at a maximum cost of 15 cents per name, or a total cost of \$15.

\*\*\*

### ANSWERING OBJECTIONS

When a man declares, "I don't need any more insurance," put it up to him this way, suggests Ralph G. Engelsman of the Equitable Life of New York, a personal producer of \$1,800,000 a year in addition to being lecturer on salesmanship at the life insurance training course of New York University:

"Well, Mr. Jones, that may be so, but tell me this: If your wife suddenly became an invalid, could you afford to give up your present position and salary in order to stay at home and care for her yourself, living on whatever in-

come you receive from investments?"

"No, I couldn't."  
"You have \$10,000 of insurance, haven't you? Could you do it on \$600 more a year, which is the return on \$10,000 at 6 percent?"

"No, I don't think so."  
"Well, when you are gone, Mr. Jones, and the income from your position stops, how will your family get along, inexperienced as they are in financial matters, if you with your experience couldn't get along on what you are leaving them?"

\*\*\*

### STARTING NEW MEN

How to start a new man in the business, was a question recently put to Joseph D. Bookstaver, general agent here of the Travelers, whose organization has led the company in production for seven consecutive years. "When we take a man in from another profession, we first have the difficulty of eradicating old habits," said Mr. Bookstaver, "and for that reason we prefer to take a young colt and break him in our own way. But whether they are

## YOUR OPPORTUNITY

DISTRICT MANAGERS — GENERAL AGENTS

### Splendid Inducements

We've had Twenty Years consistent growth and are now ready for a Broader Expansion Program.

Home Office Cooperation—Up-to-date Policies.

Operating in Iowa — Minnesota — So. Dakota — Nebraska.

Write us in confidence to see if our desires and Qualifications are Mutual.

A Clean Record — Ability — and a willingness to work hard are the most essential Qualifications.

Address U-54, c/o

THE NATIONAL UNDERWRITER.

## When You've Said Complete— You've Said Everything!

The Business Men's  
Assurance Company

--- Provides ---



**Complete Income Protection** under its incomparable "All-Ways" policy, providing monthly indemnity as long as you live and remain totally disabled, at time of sickness; monthly indemnity as long as you live and are disabled from performing the duties of your occupation, at time of accident; an estate to protect your dependents in event of death, whether from illness or accident.

**Complete equipment and aid to salesmen**, including two weeks' course in Home Office School of Salesmanship; Printed Sales Training Course; intelligent supervision in selection of most desirous location; complete information concerning policyholders in salesman's territory; privilege of personally issuing and delivering drafts in settlement of claims; and all possible assistance toward a high degree of success.

The next Home Office School of Salesmanship begins May 23 and ends June 4. It is open to those either experienced or inexperienced in the business of insurance.

## Business Men's Assurance Company

Kansas City, Missouri

W. T. Grant, President



# GUARDIAN OF THE PURSE

□ □ □ □ □ □

**I**T is well for you constantly to emphasize that life insurance is the effective agency of thrift. The best guardian of the purse that has ever been discovered is a life insurance policy and the increasing success of the life insurance business is a welcome testimonial to the fact that in our prosperity we have not lost our heads. When confronted with many evidences of extravagance and waste, it is a pleasure to turn to the other side reflected in your reports. \* \* \* \*

In earlier days, when I was constantly sought by insurance agents, and I may add with a success on their part which I have never regretted, I thought that they represented in the highest degree the American talent for unrestrained eloquence. But as I have reflected upon the value of the life insurance enterprise, I think that they were generally (although unconscious of it) too modest in their estimates of its benefits. . . . . *From an address by the Honorable CHARLES EVANS HUGHES before the Association of Life Insurance Presidents, December 9, 1926.*

□ □ □ □ □ □

## METROPOLITAN LIFE INSURANCE COMPANY

HALEY FISKE,  
President

FREDERICK H. ECKER,  
Vice-President

colts or not, there is one formula I use for both. I report every morning at 8:30 to meet them at their morning educational session and do not delegate or relegate that pleasure to anybody else. I am there two minutes before 8:30 and greet them with a smile—it works wonders. At these morning sessions we bring to their attention the value of mental development in life underwriting, urging them to go to New York University life insurance classes if they want to grow. What we also do is this—one new man has a problem and we allow some other new man to give him the answer. He is encouraged immediately when he finds another man as new as he is can give him an answer, and an atmosphere of confidence grows and affects every man. Of course, if I can add to the answer from my knowledge or experience, I do not hesitate to do so. Every day I learn something from these new men. Their words are like words from the mouths of babes. They are wonderful, worth their weight in gold. So when a new man comes to you, do not turn him away. It is by helping the other fellow that you eventually help yourself."

### SERVICE AND SALES

"Think of the service a fire insurance broker has to give to hold a large line and prevent competitors from coming in and taking it away from him by showing he was not on the job," declared a prominent local manager recently. "The same service should be given by the life insurance agent or broker even though they have a definite guarantee on the renewal commissions on the business they have written. Too many lose sight of the fact that their future on sales is guaranteed. Too many have the mistaken idea that new prospects are more desirable than old policyholders. In most companies, in most agencies and in the case of most men, the greatest amount of business comes from the old policyholder, who is certainly entitled to service."

### BUSINESS GOOD

The first 16 weeks of this year, a span equal to 30.8 percent of the time allotted, the northern group of Prudential agencies wrote more than 38 percent of its 1927 quota for ordinary business, according to an announcement made at the recent annual convention of the company at Newark. The northern group of agencies includes all those in New York state and Canada.

### SELLING GROUP INSURANCE

A well-developed, smoothly operating organization is the first essential of an agency that hopes to make a name for itself in selling group, according to Group Supervisor F. A. McCartney of the Equitable Life of New York. The agency's first step should be to locate every prospective group case in its territory. Next comes the collection of the greatest possible amount of information and facts about each, particularly the name of the individual in each group who has the power to sign contracts. Then consideration must be given to the careful selection of the individual in the agency who has the best entree and who can best present the group proposition. Lastly, there must exist a carefully adjusted system to check and balances in the agency to make absolutely sure that the proposition will be presented to the proper person at the most appropriate time in the most skillful manner. Many group cases have been lost because ignorant and incompetent agents and brokers have tried to rush the door with nothing but great tongue-power to assist them.

### Sets New One-Day Record

The Missouri State Life wrote \$4,500,000 on May 14, shattering all one-day records for the company, according to an announcement made by President M. E. Singleton. The company's business for May is more than double the amount for the same period in 1926.

## CONTEST FOR WOMEN'S CLUB MEMBERS ENDED

### PRIZE WINNERS ANNOUNCED

National Association Makes Awards for Best Essays on "Life Insurance as Protection for Home"

NEW YORK, May 18.—Winners of the prizes offered by the National Life Underwriters Association for the six best essays on "Life Insurance as a Protection for the Home" were announced here this week by Alice M. Lakey, insurance specialist of the General Federation of Women's Clubs. The committee of award, composed of Vice-president John A. Stevenson of the Equitable of New York, Walter Story, manager of the literary bureau of the Mutual Life of New York, and Stewart Anderson, manager of the field service bureau of the Penn Mutual, gave the first prize of \$100 to Mrs. Elizabeth E. Berkey, Washington, D. C. The second prize, \$50, went to Susie V. Powell, Jackson, Miss., and the third prize, \$25, to Mrs. P. E. Daley, Rawlins, Wyo. Three other prizes of \$20 were awarded to Mrs. Oliver J. Smith, Weiser, Idaho; Mrs. G. B. Worthen and Mrs. A. G. Sawyer, both of Waterloo, Ia.

## OFFICIAL OF AETNA LIFE REVIEWS AVIATION HAZARD

DETROIT, May 18.—The aeronautical hazard was discussed at length by Capt. James B. Slimmon at the monthly meeting of the Detroit Life Underwriters last Friday. Captain Slimmon is secretary of the Aetna Life and was able to give the Detroit men ideas on both sides of the question.

There are serious problems in aeronautical underwriting he said, but the companies will straighten out the difficulties as they have others equally puzzling.

Eliminating army, navy and air mail flyers, 420 independent operators carried 328,000 passengers in 1926 and traveled 1,200,000 miles, he said.

The aeronautical hazard has many angles—type of plane; the source of its construction, a recognized plant or a personal experimenter; the expertness of the flyer.

The mechanical ability of the air man would have to be considered carefully. No matter what may go wrong in an auto after it has left the shop, it will still be on the ground. The driver can get out and walk but when a plane goes bad there's nothing to do but drop.

Then there is the question as to the financial means of the owner. Can he have it properly repaired, if damaged, or does he have to take a chance?

Then there's the pilot. Pilots usually are youngsters around 18 to 22. How about his physical condition? Is he a careful pilot?

After these and other essential requirements have been shown to be satisfactory, the landings have to be considered. All precautions might be valueless if the landing place offered in itself a hazard.

### Life Notes

The Great Northern Life has just been licensed in North Dakota.

The United Benefit Life of Omaha has been licensed in Kentucky.

Lyman D. Warren of W. A. Alexander & Co. of Chicago recently lost by death his 3-year-old son, Lyman D. Warren, Jr.

Mrs. A. A. Green, Sr., died at her home in Dallas last week. Until his death five years ago, her husband was state manager of the Manhattan Life. Her son, A. A. Green, Jr., is connected with the Southwestern Life. The pallbearers included some of the best known life insurance men of Dallas.

The wise and cynical Lord Beaconsfield is quoted as saying: "Next to knowing when to seize an opportunity the most important thing in life is when to forego an advantage."



## *The* OLD LINE LIFE INSURANCE COMPANY of AMERICA

Home Office

Milwaukee, Wisconsin

is one of the largest companies from its beginning ever organized in the United States.

### LIFE ACCIDENT AND HEALTH INSURANCE

Territorial possibilities in the following states:

CALIFORNIA  
ILLINOIS  
IOWA  
MICHIGAN  
MINNESOTA  
OHIO

OKLAHOMA  
OREGON  
PENNSYLVANIA  
SOUTH DAKOTA  
TEXAS  
WASHINGTON

WISCONSIN

Rupert F. Fry  
President

Wm. S. Hanley  
Agency Secretary

## Making Friends and Holding Them



*The* **Reinsurance Life** *Des Moines*

TWENTY YEARS  
CONFIDENCE *and the* of  
POLICYHOLDERS  
*assure*  
OUR AGENTS  
THEIR OWN FUTURE  
*is* SECURE

Write for

"FOURTEEN POINTS"

A. M. Hopkins, Mgr. of Agencies

PHILADELPHIA LIFE  
INSURANCE COMPANY

111 North Broad Street  
PHILADELPHIA, PA.

### YOUR OPPORTUNITY

A rapidly growing company, on a rock bottom foundation, is offering for a short period, an unusual opportunity to keen men of organizing and selling ability. Our State Agent contract and General Agency contracts give you the opportunity you have been looking for. This company has openings in Missouri, Iowa, Illinois and Minnesota. Assurance of integrity and recommendations required. Give full history of past and present avocations in first letter. If possible, forward recent photograph. All correspondence will be held in strict confidence. All contracts will be personally supervised by President. Address Lock Box 320, Lincoln, Nebraska.

### WANT ADS

in The National Underwriter are read every week by thousands of interested insurance men—that's why they are result getters.

1 inch \$5.00

52

## ROYAL UNION LIFE INSURANCE COMPANY

DES MOINES, IOWA



Royal Union Life Building  
Cor. Seventh and Grand Ave.,  
Des Moines, Iowa

### SELLING INSURANCE ON LIVES OF CHILDREN

Our new Juvenile Policies offer a great opportunity and a distinctive field of service.

Endowment policies at ages 16, 17, 18, 19, 20 and 21. Also straight 20 Year Endowment and 20 Pay Life contracts.

Written from age one day old and up.

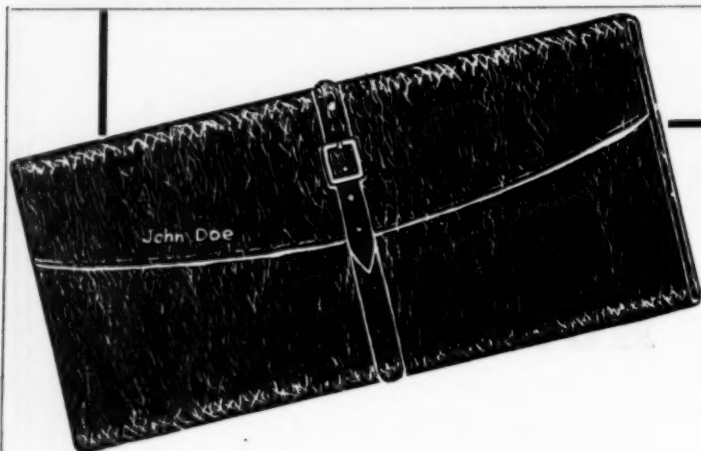
Without re-examination, automatically placed in full benefit for the face of the policy at age five.

Special Waiver of Premium Benefit waives premiums in event of death or total permanent disability of the beneficiary.

A great many of our agents are devoting their time exclusively to the money-making sale of these wonder contracts.

## ROYAL UNION LIFE INSURANCE COMPANY

A. C. TUCKER, President



## Builders of Business

### An Investment in Wallets Will Pay Big Dividends

If you have not used Kaufmann Systeman Security Holders you have a pleasant surprise awaiting you. For Kaufmann wallets will help you build business just as it is building business for hundreds of others. The Kaufmann Wallet is the best leather container on the market designed to provide a place for insurance policies, bonds and other valuable papers. Until you have used it to deliver those extra policies you have not made use of the biggest dollar for dollar life insurance business builder on the market today.

The standard size is \$2.25 and the large size, \$3.15. Quantity rate gladly furnished on application. Other wallets from 65c to \$5.00.

**E. L. KAUFMANN**

Room 700, Austin Bldg.

111 W. Jackson Blvd.

Chicago, Ill.

Telephone Wabash 3933

1926

## ANOTHER ONWARD MARCH YEAR

Total of new Life Insurance issued,  
increased and restored (paid-for)  
for 1926:

**\$158,331,102**

Last year was the eighth consecutive  
year in which this Company has  
shown a gain in new paid-for  
business over the preceding year.

Total of life insurance in force on  
December 31, 1926, was:  
**\$909,479,363**

## BANKERS LIFE COMPANY

GERARD S. NOLLEN, President

Established 1879

Des Moines, Iowa

## DISCUSSES LEGAL QUESTIONS INVOLVED IN WRITING OF BUSINESS INSURANCE

By HERBERT ADAM  
Legal Division Penn Mutual Life

THIS paper is a discussion of the subject of business insurance used for liquidation purposes, from the standpoint of the legal department. I have chosen this subject for two reasons, because of all branches of life insurance this has had one of the greatest increases during the past year, and because of the fact that this type of insurance is no longer being written solely by those underwriters who have given time to the study of the subject, but also by those who know very little, if anything, about it, by those who have had no other business or legal training, and who, by the improper handling of this form of protection, are not only injuring their own companies but also the institution of life insurance, although the injury may be latent at the present time due to the fact that the number of death claims where insurance is taken out for this purpose has not yet been very great. In no other form of life insurance protection is the responsibility of an underwriter to his client, or of the company to its policyholders, greater than here. The vast opportunities for harm afforded in the sale of this form of protection make it the urgent duty of the home office to have someone point out to the agency force the situations where greater care must be exercised.

### Consider Insurable Interest

The question which should naturally be considered first is that of insurable interest because it is essential to the collection of the proceeds that it shall exist when the contract is written. This subject is an old one to the members of this association, but it again assumes some importance because of two recent conditions, the attempt to insure a partner-in-business, once the relationship has been established, for unlimited amounts, regardless of the extent of insurable interest, and secondly the attempt in connection with stock control agreements, to insure members of corporations who are not officers thereof under policies for which they are not paying the premiums. The average solicitor of life insurance and, in fact, the average insurance publication, believes that in cases of this kind there is no limit to the extent of the insurable interest, no limit to the amount of insurance which can be written by an insurance company in such a case.

### Theory of Insurable Interest

Let us consider for a moment this practice of trying to insure beyond the extent of the insurable interest. How can we determine what is the extent of this interest? An examination of the following cases: *Rahders et al. v. People's Bank* (Minn.) 130 N. W. 16 (1911); *Ruth v. Flynn* (Colo.) 142 Pac. 194 (1914); *Atkins v. Cotter* (Ark.) 224 S. W. 624 (1920); *Fleming v. Fleming* (Iowa) 184 N. W. 296 (1921), which are authority for the general rule that one partner has an insurable interest in the life of his co-partner, shows that while only one case based the interest on "reasonable expectation of advantage in the continuance of the partnership," the others have uniformly held that the insurable interest is predicated on the theory that when one member dies the concern loses his skill, knowledge and experience in the business as well as his constant efforts in its up-building, that his life is a source of much benefit to the copartnership. The questions of replacement of capital and of the mere relationship do not assume any importance as a general rule in determining whether the interest exists. In at least one jurisdiction it has been said that the mere relationship, that the reasonable expectation of advantage in the continuance of the partnership—is not sufficient to support an insurable in-

terest: *Powell v. Dewey* (N. C.) 31 S. E. 381 (1898).

### Insurance Not for Speculation

The essential thing seems to be that the policy should be obtained in good faith, and not for the purpose of speculating upon the hazards of life. The extent of the insurable interest in any given case, therefore, is not the amount of capital which would be withdrawn in case of the death of a partner but the actual loss suffered as a consequence of such withdrawal, and the actual amount of money necessary to replace that partner, the cost of obtaining new capital elsewhere, and the replacement of money or skilled services owed by the partner to the copartnership.

It is also a general rule, but one not so frequently enunciated as the preceding rule, that a corporation has a good insurable interest in the life of any officer thereof upon whose continued life the success of the corporation depends: *Mechanics Bank v. Comins* (N. H.) 55 Atl. 191 (1903); *Keckley v. Coshocton Glass Co.* (Ohio) 99 N. E. 299 (1912); *American Trust Co. v. Virginia Life* (N. C.) 92 S. E. 706 (1917); *Wurzburg v. New York Life* (Tenn.) 203 S. W. 332 (1918).

### Statutes in Some States

In some jurisdictions, however, it has been felt necessary to pass a statute expressly giving to a corporation the right to insure its president, other officer, etc., in some instances either because the courts have held or the legislature has

The development of life insurance written for business purposes in recent years has been very rapid, and probably has outstripped the diffusion of necessary technical information on the complex subject among agents in the field. Recognizing the dangers inherent in this situation, Herbert Adam of the legal division of the Penn Mutual Life, read a paper on some of the legal aspects of business insurance at the meeting of the Association of Life Counsel at Hot Springs, Va., this week. The accompanying article is composed of comprehensive extracts from this paper.

considered that an insurable interest did not exist, or that it would have been ultra vires for a corporation to take out such a policy: *Indiana, North Carolina, Pennsylvania, Texas, Virginia*. The fact that such statutes have been passed has caused the feeling that in those jurisdictions which have not already passed upon the question, the courts might in some cases hold that in the absence of such a statute a corporation either has not an insurable interest, or has not the right to take out such a policy.

### Observe Extent of Interest

In this form of insurance also, there has lately been a tendency to insure beyond the extent of the insurable interest. In connection with agreements for stock control, application has been made for policies on the lives of stockholders who are not officers of and who have no active management of corporations, and on the lives of stockholders having large holdings but only a small share in the management, for amounts of insurance sufficient to purchase their entire stockholdings in event of death.

### Not Subject for Insurance

Where a stockholder is neither indebted to a corporation, nor is instrumental in securing credit for it, nor has any part in its management, it would



seem that the corporation has no insurable interest in the life of such stockholder, and therefore has no right to take out a policy on his life for any sum, with the exception possibly of any loss occasioned by the passage of stock control to outsiders and a possible change in the corporation's business policies incident thereto.

#### Rule Stated by Court

While the decision in *Security Mut. L. I. Co. v. Schott, Etc.*, 30 Oh. CC 656, is really placed on the ground that the corporation was without power to effect the insurance on the life of the particular stockholder, who was also a director, and to pay the premiums therefor, yet the court seemed inclined to think that the corporation had no insurable interest. Applying all the various rules of insurable interest to this set of facts, the court seems to have stated the correct rule.

In those cases where the stockholder does have a small part in the management of the corporation, the corporation has only sufficient insurable interest to carry a policy for an amount which would not be disproportionate to the loss actually suffered by reason of his death, together with the cost of the protection, even though it is proposed to purchase all of his stock in event of death.

#### Must Write Policy Carefully

The next question to be considered is the method of writing the policy, so as to make certain that the purpose for which it is carried can be legally carried out, so that the insured as well as his business associates will be amply protected, and so that payment of the claim can be made promptly and without unnecessary expense and taxation. In cases where the insurance proceeds are to be used to purchase the interest of a deceased partner in the business of the copartnership, there have been many ways in which the policies have been made payable, most of which have more or less serious objections.

#### Payable to Copartnership

Where the policy is made payable to the copartnership and the partners hold equal interests in the business, this plan is practically the same as one which makes an equal portion of the proceeds payable directly to the estate of the deceased partner. An objection to this plan is that in event of a termination of partnership consisting of several partners while all are living, a policy on the life of the withdrawing partner originally made payable in this manner could not be continued by the remaining partners, unless they could show a new insurable interest at the time the new partnership was formed. The original insurable interest, existing as it did in the beneficiary named in the policy, the old association of partners, terminated with the dissolution of that association and in order for a new beneficiary, i. e., a new association of partners, to collect, such new beneficiary must show that an insurable interest existed at the time it was named as beneficiary: *Cheeves v. Anders (Tex.)* 25 S. W. 324 (1894); *Ruth v. Flynn (Colo.)* 142 Pac. 194 (1914).

#### Payable to Copartner

Where the policy is made payable to a member of the insured's family, if the right to change the beneficiary were not reserved, any transaction concerning the policy would require the signature of such beneficiary regardless of marital status, legal disability of the beneficiary, etc., while if the right to change were reserved, one partner could transfer the policy without the consent of his copartner, beyond the operation of any agreement between them, to some third party.

#### Payable to Co-partner

Where the policy is made payable to the copartner, it is absolutely essential that a supplemental agreement be executed by the copartner binding him to properly apply the funds. The only apparent objection to this plan, and that a minor one, is that the surviving

partner has both the insurance proceeds and control of the partnership assets, while the widow of the deceased partner has the burden of enforcing the agreement. It would probably be much better to have the policy proceeds payable directly to the widow and oblige the surviving partner to show that he held the interest of the deceased in the business by virtue of the supplemental agreement.

#### Ideal Business Insurance Form

Making the policy payable to insured's beneficiary but control placed in both partners seems to be the ideal way of making business insurance payable, because it eliminates all the objections to the other plans. The procedure is to first make the policy payable to the copartner, if he survive the insured, otherwise to the estate of the insured, thus making any transfer subject to the signatures of both partners. The policy is then assigned to a new payee, either in a lump sum or under the various income options, in which assignment control of the policy is reserved to the two partners jointly until maturity of the policy as a death claim. Under this plan, the partners have complete control of the contract, the wife receives the proceeds as insurance and they are thus free, in most states, from state taxation, and the surviving partner has the burden of enforcing the supplemented agreement.

(Mr. Adam's article will be concluded in an early issue of *The National Underwriter*.)

#### SUICIDE OFTEN RELATED TO MENTAL DERANGEMENT

In a study of 2,211 deaths due to suicide among its industrial policyholders in 1923 and 1924, the Metropolitan Life found an associated condition of body or mind in 727 cases, or about one-third of the total. The purpose of the study was to find the importance of mental and physical disease as factors in suicides. The result showed that the several forms of mental alienation constituted by far the most frequent complication in suicide cases. Some form of mental disease was reported in 416 of the 727 cases, or 57 percent. Alcoholism came next on the list as the related condition. This was mentioned in 36 cases, or approximately 3 percent of the total in which an associated condition was mentioned. Cerebral hemorrhage or apoplexy ranked next, which is not surprising in view of the fact that persons who have sustained an initial attack are likely to brood over the probability of a fatal return. Diseases of the nervous system other than mental alienation and apoplexy were reported in 31 cases.

The facts strongly suggest that suicide is in most cases the culminating act in a mental derangement, and the more complete the investigation, the more likely is this condition to be discovered in the background of the case.

#### CONVENTION DATES

- May 23-24—Insurance Advertising Conference, Hartford.
- May 23-25—Pennsylvania Federation, Philadelphia.
- May 23-25—Life Insurance Sales Research Bureau, St. Louis.
- June 2-3—Amer. Institute of Actuaries, Toronto.
- Sept. 12-14—International Claim Association, Toronto.
- Sept. 15-17—Health & Accident Underwriters Conference, Toronto.
- Sept. 26-30—National Safety Congress, Chicago.
- Sept. 27-29—Casualty Convention, White Sulphur Springs.
- Sept. 27-30—Insurance Commissioners, Cincinnati.
- Oct. 12-14—National Life Underwriters Association, Memphis, Tenn.
- Oct. 24-25—American Life Convention, Dallas.
- Nov. 1-2—Life Agency Officers, Chicago.

#### NYLIC INCENTIVES and AIDS TO SUCCESS

## Successful Permanency

### WITH AN ASSURED FUTURE

¶ A very unusual incentive for industry and permanency is provided for New York Life Agents in the Company's present agency plans which were first adopted many years ago.

¶ Time has proven the wisdom of these plans. Many men and women who have stuck to the "Nylic" program for 20 years are now assured of a life-income, though some of them are still in the prime of life.

¶ It is noticeable that those who have paid the price of hard work throughout the 20 years now take longer vacations and travel more than they formerly did. Yet, the great majority, having become accustomed to industry and loving the work, continue to insure their clients even after 20 to 50 years of service.

¶ Thus, they add to their *certain* life-incomes substantial commissions from new business, secure in the knowledge that they are protected for life.

Is it any wonder that, measured by usual standards, Nylic agents are industrious, persistent, satisfied and happy?



New Home Office Building now being erected on the site of the famous old Madison Square Garden

NEW YORK LIFE INSURANCE COMPANY  
346 BROADWAY, NEW YORK

DARWIN P. KINGSLEY, President

## OPPORTUNITY!

Desirable Territory Open for General Agencies.  
Liberal Contracts.

**THE CAPITOL LIFE**  
Insurance Company  
DENVER, COLORADO

## Competition the life of trade

The boiling-down process through which business has been going in recent years may be attributed mainly to competition.

Intense devotion to advancement in every line of business, prompted by rivalry, has developed in this country a prosperity that is the by-word of other nations.

But competition is a hard task-master. The perfection of radio dealt a cruel blow to the phonograph industry—until one of its leaders, not content to say *die*, placed itself above competition by an invention that was the result of months of day and night study. Nor have they lacked for reward.

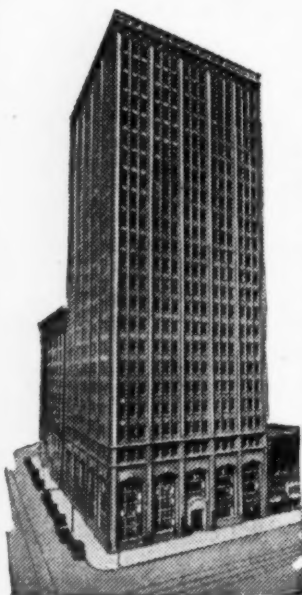
So it is in Life Insurance. Every year finds more field men turning their attention to advancement through study; equipping themselves to meet competition by placing it beneath them.

The Aetna Training Course which this Agency conducted recently has been a success. For the men who devoted themselves to it; for us; for the Aetna Life Insurance Company; and for the insuring public.

Enrollments for the next Course are being taken daily.

S. T. WHATLEY  
General Agent

Aetna Life Insurance Company  
Suite 2043—230 S. Clark Street  
CHICAGO, ILLINOIS



HOME OFFICE  
F. & M. BANK BUILDING

## Builders

Our principal strong point is the will to give a service which will be appreciated by our own staff and respected by others.

Operating in the States of Texas and Oklahoma, the Home Office is able to render a type of personal service to Agents that is unbeatable. Writing all modern policy forms, the Company offers choice territory to Agents of ability.

Our records show that policies have been issued on 79% of the applications within three days after reaching the home office.

**Southern Union Life**  
OF  
FORT WORTH, TEXAS

J. L. Mistrot  
President

Tom Poynor  
Vice-President

## MUST CREATE GOODWILL TO SUCCEED AS AGENT

Harry Gardiner Says Giving  
Clients Square Deal Is  
Essential

### IN BUSINESS FOR PROFIT

Prominent New Yorker Does Not  
Believe in Excessive Idealizing  
of Life Insurance Work

Goodwill is the cornerstone of success in the life insurance business, according to Harry Gardiner, general agent of the John Hancock Mutual in New York City, who was one of the recent speakers at the educational course being conducted by the John C. McNamara Organization, New York City, managers for the Guardian Life. Leaving school when 12 years of age and becoming an office boy of the John Hancock at \$3 a week, Mr. Gardiner has won his way steadily to the front until now he is in charge of the New York office, which last year paid for more than \$8,000,000 of ordinary business.

#### Goodwill Chief Asset

"I believe that goodwill is the greatest asset a life insurance man can have," said the speaker, saying he could not altogether agree with a recent utterance of Hugh D. Hart that time was his greatest asset. I believe goodwill is the thing we should cultivate and take advantage of. The whole structure of life insurance is built on confidence. After you have obtained a thorough knowledge of life insurance, it is your job to build goodwill. How can this be done? By being a square shooter, and by that I mean giving your prospects and clients a square deal, looking after their interests all the time.

#### Gave Honest Advice

"In this connection I should like to tell you about a little case I wrote about a year ago for \$10,000. I went in to see a man and he asked me, 'What do you think of the Blank company's policies?' I told him he could not get a better contract in any company in the country. He said, 'I am glad to hear you say that, for about six months ago I bought a \$10,000 policy in that company.' I talked with him about my own contract and in a short time took his application for \$10,000. By being honest with him I gained his confidence. That is what I mean by shooting square with your clients—tell them the truth.

#### Confidence Pays

"Did you ever have a prospect say, 'I have a friend in the business'? One of my agents told me of a recent case in which the prospect said, 'Your proposition is good, but I have a friend in the business. If I take any life insurance, it will be through him.' My agents said, 'Mr. Smith, if your friend can render you the same service I can, I gladly withdraw.' The man hesitated and finally remarked that his friend's wife had recently inherited some money. 'They are going out to California,' he said, 'and I wouldn't be a bit surprised if he was out of the life insurance business in two months.' When he was asked if he thought he should entrust his life insurance to a man who would probably be out of the business in two months, he said he did not. The agent had got his confidence by telling him he was in the business to stay and therefore got his business.

#### Offered to Sacrifice Commission

"This same agent, who uses his head in soliciting, was recently talking with

a man who wanted a 20-year term policy. Our company does not write such policies, but the agent told him he would get him his \$50,000 20-year policy in another company. He got one company to take \$25,000 with disability, but the other company considering the insurance would not take business from outside agents. My agent went back to his client and said he had \$25,000 and could get the other \$25,000 from a company which would not pay him a commission. 'If you want me to and will hand me that 'phone,' he said, 'I will call up that company and get it for you.' The client said, 'You will do nothing of the kind. If that company won't pay you a commission on that form of insurance, I'll take some other form.' In the end the agent wrote him a 10-year term and received the full commission on the \$50,000. When he reached for the 'phone, he gained that man's confidence by showing him that he was interested primarily in his interests.

#### Need of Full Information

"All successful agents make an effort to find out all they can about their prospects. Then they place before them a proposition designed to fit into their different schemes of life. We have to learn what every prospect's big idea is. You cannot sell life insurance to some men when you talk about their wives. But if you speak of a daughter, perhaps, then you get their attention immediately. These are the things we have to find out, and the only way in which we can find out is by asking questions.

#### Profit Is Chief Interest

"I do not believe in kidding ourselves about our business or in being too idealistic about it. We are all in it for just one purpose—profit. If we did not make money in the life insurance business, we would soon be out of it. Success means different things to each of us, but whatever it means, money is a big factor. You may say money won't buy happiness or friendship. True, but money will often buy the time to be happy and the opportunities for friendship."

#### To Hold Regional Meetings

The Business Men's Assurance is arranging for 16 sectional meetings starting June 9 and continuing to Sept. 15. Various home office officials will attend the meetings.

A. W. Hogue, vice-president in charge of sales; J. C. Higdon, secretary-actuary, and H. H. Sprinkler, claim adjuster, will assist the state supervisors in conducting meetings at Nashville, June 9-10; Louisville, June 13-14; Columbus, June 17-18; Indianapolis, June 20-21, and Springfield, Ill., June 24-25.

President W. T. Grant, L. L. Graham, chief adjuster, and H. E. Madsen, official home office representative, will conduct the meeting at Minneapolis on July 8-9. President Grant and Mr. Graham will assist in conducting meetings at Aberdeen, S. D., July 11-12; Seattle, July 15-16; Portland, July 22-23; San Francisco, Aug. 5-6; Salt Lake City, Aug. 15-16, and at Denver, Aug. 22-23.

The Kansas City meeting will be held August 26-27, and will be conducted by Supervisor Montague of the Kansas City branch, Mr. Grant, J. H. Torrance, vice-president in charge of claims; Mr. Hogue, W. C. Rogers, director of field service, and other officers. Mr. Torrance, Mr. Hogue and Mr. Rogers will conduct meetings at Oklahoma City Sept. 2-3 and San Antonio Sept. 5-6. The last meeting of the series will be in Detroit Sept. 12-13, and will be conducted by President Grant and Mr. Graham.

#### MAKE USE OF MISTAKES

Taking inventory is a useless operation unless it is used as a basis of balancing stock. Look over your year's work. Note what improvements you've made in your methods and opportunities. But more important, frankly recognize the mistakes you've made, and study how you can correct them.—Reliance Bulletin.



## SOUTHERN INSURANCE ELECTS NEW OFFICERS

### R. E. SHARP HEADS COMPANY

Retiring President Will G. Harris Is to Continue With Company as Board Member

NASHVILLE, May 19.—Russell E. Sharp, formerly head of the National Old Line of Little Rock, Ark., has been elected president of the Southern Insurance of this city, succeeding Will G. Harris, who will continue as a member of the board of directors. The election took place at the annual meeting of the board last week.

L. T. Little, Mountain Grove, Mo., formerly vice-president of the Citizens Life of Missouri, was elected vice-president of the Southern Insurance. Will



RUSSELL E. SHARP  
President Southern of Nashville

L. Harris, formerly vice-president and secretary of the company, was reelected secretary.

#### Officers Young Men

Although all the new officers are comparatively young men, they have been in the insurance business many years. Mr. Sharp has disposed of his large interests in the Arkansas company, and has resigned to devote his entire time to the new work. He is well known in insurance circles throughout the south and has proved his ability by the record growth of his company in Little Rock.

On the board of directors are W. G. Harris, R. C. Jordan, J. T. Wilkerson, John R. Baker, L. Payne, L. Payne, Dr. H. G. Guerin, E. D. Loveless, and E. G. Sharp.

#### Company Formed in 1908

The Southern Insurance was organized in 1908. Its assets are \$2,706,000, according to the last statement, as against only \$386,780 in 1920. The Southern has over \$20,000,000 of business in force and over 200 employees in home office and branches. The company has just completed a group insurance contract for approximately \$5,000,000 in Arkansas.

The Southern now has 47 forms of policies under the heads of ordinary life limited payment, endowment, industrial life and industrial life and industrial health and accident. Regarding forms of insurance, Mr. Sharp said:

#### Endowment Popular

"In recent years the endowment policy has been gaining in demand. Business concerns frequently buy it when borrowing money and are using endowment insurance as a systematic and certain method of amortization.

## GETS SPLENDID RESULTS FROM MAIL CIRCULARIZING

### INTELLIGENT USE REQUIRED

J. Renwick Montgomery, Philadelphia Manager of Phoenix Mutual, Tells How He Uses Plan

The great possibilities in a 2-cent stamp when pasted on the right life insurance letter was the subject of the address recently delivered before the John C. McNamara Organization of the Guardian Life in New York City by J. Renwick Montgomery, manager of the Phoenix Mutual in Philadelphia. "If the system of direct-by-mail is used intelligently," he said, "business may come more easily than it does from pounding pavements and turning door-knobs. But there is the danger that you may go 'soft' on your job. You must work doubly hard to get your thought across on paper, because most of us have an idea that a letter by itself will work some magic which a straight solicitation doesn't do.

#### Selecting Own Audience

"Certainly, if used as it should be, direct-by-mail brings us a fine opportunity to pick and choose among prospects. If you circularize 100 names, naturally you first go to see those interested enough in life insurance to answer your letter. By this system you get in to see your man much more quickly and easily than by trying to break in, and you also have a better opportunity to present your subject. But don't neglect those who don't answer, for a lot of prospective buyers of life insurance will not answer any correspondence of a circular nature. Never send out letters without being firmly resolved to go see at least 50 percent of those who don't answer. Of course, if you get a 10, 15 or 25 percent response, you naturally work first on those who seem to be most interested.

#### Getting the Interview

"If you have difficulty in getting in to see a man who has answered and have with you a book with his name on it, it is a good idea to send the book in with the card he has answered instead of walking away. He may have forgotten about them. But if he still won't see you after the book and card have been sent in, you might as well forget him. In those cases where you do get to see your man, don't walk in with the book in your hand, using it as a crutch. Use it with a little discretion. Use it to present a few facts about the insurance plan you have worked out for the man. And don't let him think he's getting something for nothing, or he won't think it much good.

#### Circularization Averages

"In 1926 the number of people approached by mail by my company was 25 percent larger than in 1925. The amount of insurance written as a result was 50 percent greater, while the total amount of commissions paid on direct-by-mail business was 36 percent greater. On the average my company gets a 25.8 percent response on its letters from people who either want a book for nothing or who answer out of curiosity or courtesy. Figures published by the company show that about 40 percent of commissions paid is on business written by the direct-by-mail system."

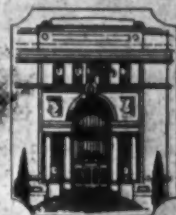
Other men buy the endowment for the purpose of educating their children. Term insurance is also a form that has been showing a noticeable increase in volume in the last few years. For the young man of limited income who feels the need of sufficient protection for loved ones, term insurance meets a splendid requirement for the reason that its cost is very low."

Gain in Insurance in Force 1926  
over \$22,000,000—10 per cent  
An increase over the 1925 gain of  
over \$5,000,000—30 per cent

## Northwestern National Helps its Agents to Solve the Lapse Problem

A practical plan of helping general agents and agents to keep business on the books, which was put in effect in 1926, enabled them to reduce the lapse rate on first year business 10 points in 1926 as compared with 1925.

This means many dollars  
to agents of this  
company



The Doorway  
To Opportunity

## NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

CHICAGO, ILL.  
Minneapolis, Minn.

## THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY

BOSTON, MASSACHUSETTS

Arthur E. Childs, President

Columbian National Agents can  
offer the best in

LIFE, ACCIDENT, AND HEALTH INSURANCE

Columbian National Policies  
make selling easier

Policies backed by one of the very strongest companies in the country, having ample capital, surplus and highest standard of reserves. Exceptional opportunity is offered to salesmen of character and ability. Communicate at once with  
AGENCY DEPARTMENT,  
77 Franklin Street, Boston.

## THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. **EDWARD J. WOHLGEMUTH**, President; **JOHN F. WOHLGEMUTH**, Secretary; **HOWARD J. BURRIDGE**, Vice-President and General Manager; **H. E. WRIGHT** and **NORA VINCENT PAUL**, Vice-Presidents; **WILLIAM A. SCANLON**, Southwestern Manager; **GEORGE C. ROEDING** and **O. E. SCHWARTZ**, Associate Managers; **B. F. STEVENS**, Manager, Advertising Service Department.

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**FRANK A. POST**, Associate Editor  
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### Uniformity in License Requirements

Insurance company officials are deeply interested in the special committee appointed by the NATIONAL CONVENTION OF INSURANCE COMMISSIONERS of which **HOWARD P. DUNHAM** of Connecticut is chairman, whose function it will be to try to bring about uniform practice with regard to agency license applications. At the present time there are 48 varieties, every state following its own particular course. The result is that companies are put to great expense in complying with these varied demands. Some states have elaborate questionnaires and it is stated that some have four or five different blanks that have to be filled out.

In our opinion this is all needless.

We are hearing much about the desirability of putting into effect economy and efficiency. The NATIONAL CONVENTION OF INSURANCE COMMISSIONERS should take the lead itself in this direction. It has within its power the opportunity to eliminate much red tape, to simplify transactions, to make uniform practices and to establish less involved information blanks.

The INSURANCE COMMISSIONERS CONVENTION has already done much to stabilize practices and bring uniformity. It has a great work ahead of it. We feel that Commissioner **DUNHAM**'s committee is one of great importance and the movement should have the support of all insurance interests.

### Reestablishing Insurance Week

THE meeting of the NATIONAL CONVENTION OF INSURANCE COMMISSIONERS that was held early in December in New York City for many years formed the rallying point for gatherings and conferences of insurance officials, general agents, organization men, etc. It was always a memorable week. Unfortunately a couple of years ago the insurance commissioners decided to meet elsewhere. The bugaboo of the east against the west arose and caused some of the state officials to lose their equilibrium. Now the insurance commissioners are going back to New York City in early December and resume that big insurance week that meant so much to the commissioners and the insurance people. Here in one spot would be gathered the supervising officials, the organization men, company officers, general

agents, local agents and other interests.

It made a convenient and economical arrangement for insurance associations, for organizations and executive committees to meet, for conferences, for personal contacts and for business to be dispatched. A person desiring to meet a half dozen people could go to the Astor hotel and find them there. It is a good omen that the commissioners are resuming this former custom. It should always be maintained. There should not arise in the INSURANCE COMMISSIONERS CONVENTION that feeling of sectional discrimination. So far as we can see there is no effort on part of any particular state or section to dominate the organization. The commissioners have acted wisely in deciding to go back to the Hotel Astor for their December meeting.

### Need for Agents to Make Money

LIFE insurance companies realize the fact that they must make it possible for their men in the field to make money and be satisfied with the compensation they can earn from their life insurance work. A man who is unable to make a comfortable living in any occupation naturally is not satisfied. Life insurance companies do not pay salaries and hence cannot give salary increases. They pay as large a commission as they feel they can. The companies that are licensed in New York are limited in what they can do in this connection.

A broad gauged institution is not endeavoring to hold down any remuneration that an agent can legitimately make but

instead should be elated if he is able to increase his earning power and make a more handsome return for his efforts. It is therefore up to the life insurance companies to give every possible aid to the men in the field to enable them to add to their incomes. When an agent is making good money he is inspired to do more. When he earns a sufficient stipend to enable him to have the comforts and some of the luxuries of life, he feels then on an equal footing with the best men of his community. There is no more serious problem before home offices than this one of helping the men in the field find ways to add to their income.

## PERSONAL GLIMPSES OF LIFE UNDERWRITERS

Announcement has been made of the marriage of **Paul Reed**, agency supervisor of the Bankers Life of Iowa Los Angeles agency, to Miss Alice Agnew. Miss Agnew now lives in Los Angeles, but was formerly a resident of Indianapolis. Mr. Reed is the son of C. A. Reed, agency manager of the Bankers Life Los Angeles agency. The wedding took place May 18.

The Harvard University Press at Cambridge, Mass., has brought out the first book in the Harvard studies in administrative law. This book is entitled, "The Insurance Commissioner in the United States," the author being Prof. Edwin W. Patterson of the law department of Columbia. The foreword is written by Prof. Felix Frankfurter of the administrative law department in Harvard. The publishers say that the application and enforcement of law through administrative agencies rather than through the ordinary courts, is an outstanding development of twentieth century American civilization. Prof. Patterson describes and interprets one of the oldest of the governmental agencies engaged in the regulation of private business enterprises. The organization, personnel, functions, administrative devices, scope of control, procedure and amenability to external control of the insurance department of all the 48 states have been exhaustively summarized and criticized.

There is an independent analysis made of some 10,000 sections of insurance legislation relating to the common types of insurance. There is an exhaustive search for judicial decisions construing these statutes. Not merely the legal significance but also the actuarial and business aspects of the administrative powers are discussed. The comparison between the statutory rules on the one hand and the practices of the insurance departments on the other has been brought out by an extensive questionnaire, by a study of commissioners' rulings and by numerous other data.

**Capt. Theodore D. Wharton**, widely known life underwriter of New Orleans, died last week from a sudden heart attack. He had been associated there for many years with the New England Mutual Life. At one time Mr. Wharton was editor of the "American Insurer."

An amusing experience is related by **Floyd Oliphant** of the Erie agency of the Connecticut Mutual. It seems one evening Mr. Oliphant invited a newly made policyholder to take dinner with him in a restaurant at Ridgeway, Pa. The agent had talked Connecticut Mutual so much to the new policyholder that his mind was full of that with no room for anything else, and when the waiter asked him what he would have, he said "Connecticut Mutual."

**C. A. Craig**, president of the National Life & Accident, is reported to be showing continued improvement following his operation at St. Thomas Hospital in Nashville last week for appendicitis. It is believed that two more weeks will be required before Mr. Craig will be able to leave the hospital following his complete recovery.

**Irving Williams** of Indianapolis, the able and versatile editor of "Rough Notes," has recently been elected an elder of the First Presbyterian Church of Indianapolis, the premier Presbyterian organization of the city. This office of course is the highest that a layman in that denomination can fill. Mr. Williams is prominent in Presbyterian circles in Indianapolis. He has long been a big factor in the First Church. Aside from his achievement in the publishing and editing of "Rough Notes," he has taken a prominent part in the Boy Scout movement of Indianapolis. In fact he

has headed the organization there. He has also been interested in many other enterprises of a civic nature. Mr. Williams is quiet and unobtrusive in his personality but possesses those characteristics of sincerity and resourcefulness that make him a power in any movement with which he becomes identified.

**Henry M. Merriam** has rounded out 25 years of service with the Franklin Life of Springfield. He first became connected with the company in April, 1902. At that time he was an official of one of the leading banks in Springfield. When he was elected on the board he became a member of the finance committee owing to his experience and knowledge of investments. In 1914 he was made vice-president and became chairman of the finance committee, being in charge of all its investments. When **George B. Stadden**, president, died in 1923, Mr. Merriam was elected to succeed him. He is regarded as one of the most capable western officials.

**Hiram A. DeCamp**, Cincinnati, veteran life insurance man, died in a hospital where he had been seriously ill for the last six weeks. He had been in failing health for almost a year. Mr. DeCamp was connected with the Mutual Life of New York. He was formerly Cincinnati manager for the Fidelity Mutual Life. At the time of his death he was president of the Orpheus Club. He had been in the life insurance business for some 40 years. Mr. DeCamp was 69 years of age.

**President W. T. Grant** of the Business Men's Assurance is spending several days in Oklahoma and Kansas, visiting B. M. A. agents in these states. He will visit Okmulgee, Oklahoma City and Chickasha, Okla., and Wichita and Hutchinson, Kan., before returning to Kansas City.

**Mr. and Mrs. Ray Low** of Omaha are the parents of a baby girl, born last week. Mr. Low is president of the American Reserve Life.

The board of directors of the Aetna Life has adopted a resolution in tribute to the late **Joel L. English**, senior vice-president for many years and connected with the company for almost 60 years.

**President Haley Fiske** of the Metropolitan Life was elected honorary president of the National Security League at its annual meeting held in New York City. At the same time Will Rogers became a director of the organization, which had invited him to join because the famous comedian's writings and talks have done so much for a proper national defense. The president of the league is General Robert Lee Bullard, and among the vice presidents are Theodore Roosevelt and Myron T. Herrick, American ambassador to France.

**S. T. Whatley** of Chicago, manager of the Aetna Life, has gone on a trip abroad and will return about Aug. 1. Mr. Whatley has been nominated for president of the Chicago Life Underwriters Association and will be elected to that office at the annual meeting June 3. Before he left the agents and office force tendered him a luncheon.

**Dr. Lee K. Frankel**, vice-president of the Metropolitan Life, sailed for Europe last week to represent this country on the committee of experts who are to conduct a nonpartisan survey of Palestine during the summer.

The "Berkshire Sun," the house organ of the Berkshire Life, features **George T. Mason**, veteran representative of the company in the Chicago agency, in its May issue. He has just completed his 38th year of active service. He joined



the Berkshire Life April 22, 1899. The Berkshire states that Mr. Mason and Joseph Loebe, manager at Cleveland, are the only surviving members of a group composed of Franklin Wyman, W. S. Weld, and others who started the Berkshire general agency in Chicago with the late W. D. Wyman as general agent. Mr. Mason had been associated with W. D. Wyman in the Massachusetts Mutual in Chicago. Before that he had been connected with a dry goods house. He was born in Kentucky and belonged to a family that was prominent in its day in that state. For many years he lived at the Chicago Athletic Club, where he was well known.

Secretary Will Taylor and Treasurer Edgar S. Barnes of the Franklin Life will sail on May 25 to attend the annual convention of the Rotary Club at Ostend. After the convention the travelers will spend about seven weeks in a tour through Europe, returning to Springfield the middle of August.

E. M. Calder, Iowa state manager of the Service Life of Nebraska, with headquarters at Davenport, is to be married in June to Miss Alene White of Dallas, who is well known to the insurance fraternity, especially in the fire insurance field in Texas.

A. W. Brown, district manager for the Mutual Life of New York at Davenport, Ia., has twice become a grandfather in the last two weeks. A son, Chester D. Salter, Jr., was born to his daughter, Mrs. Chester D. Salter, April 28 and last week another son, Robert Fairchild Brown, Jr., was born in Sterling, Ill., to Mrs. Robert Fairchild Brown, another daughter.

Honoring A. J. Westermeyer, manager of the St. Louis agency of the Continental Life of that city, on the anniversary of his taking charge of the office, President Melson presented him with a gold watch which he had won as a charter member of the Weekly Producers Club.

Mr. Westermeyer was presiding at an agency meeting when President Melson arrived on the scene. He called attention to the fact that the St. Louis agency leads the company's organization in paid-for this year, and congratulated Manager Westermeyer on the conduct of his agency along efficient business lines.

#### LIFE AGENCY CHANGES

#### MAJOR LEWIS IN NEW POST

Well Known Life Man of the Northwest Goes With the Equitable Life of Iowa

E. W. Cameron, state agent for the Equitable Life of Iowa, announces the appointment of Maj. J. L. Lewis as district manager in the southeastern Minnesota territory, with offices at 804 Pioneer building, St. Paul.

Major Lewis is a man of wide experience, and is one of the best known life men in the northwest, having been identified with insurance in one capacity or another for the past 15 years. For six years previous to his joining the Equitable of Iowa forces, Major Lewis was associated with the Modern Life of St. Paul as secretary and agency manager. Prior to his connection with the Modern Life, Major Lewis was deputy insurance commissioner in Minnesota.

#### Is Noted Rifleman

Major Lewis won recognition as a leader of the Minnesota riflemen, having been elected twice as team captain of the United Service teams in the national matches. The only other national guard officer in the United States holding this distinction is United States Senator Brookhart of Iowa.

Major Lewis has for many years been associated with the St. Paul Association

## KEEPING STEP Are You Keeping Step?

This is the day of monthly payments. Business men and women are paid monthly; they in turn wish to take care of their obligations on the same basis.

The Lincoln National Life Insurance Company's Draft System of Monthly Premium Payments makes this possible but does away with the objectionable features of monthly premium payments.

The plan makes the payment of premiums automatic. The insured cannot overlook paying the premiums. To discontinue he must take some action.

The plan has many advantages for the fieldman.

You will write larger policies.

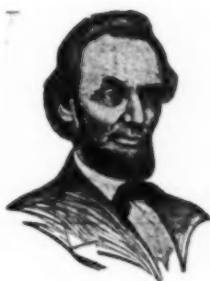
Your lapse rate will improve.

You will sell more Monthly Income Policies.

*Our New Booklet*

*The Lincoln  
National Draft  
Plan*

*will be furnished  
upon request.*



LINK UP WITH THE LINCOLN

## The Lincoln National Life Insurance Company

"Its Name Indicates Its Character"

Lincoln Life Bldg.

Fort Wayne, Ind.

[More Than \$470,000,000 in Force]

# The Gem City Life Insurance Company

## of Dayton, Ohio

**TAKES PRIDE IN THE PROGRESS SHOWN DURING THE PAST TEN YEARS.**

	Assets	Insurance In Force
December 31, 1916.	\$182,695.00	\$2,037,804
December 31, 1917.	\$202,541.00	\$2,431,131
December 31, 1918.	\$243,793.00	\$2,576,086
December 31, 1919.	\$297,404.00	\$3,245,516
December 31, 1920.	\$371,547.61	\$3,922,631
December 31, 1921.	\$455,918.00	\$5,140,458
December 31, 1922.	\$663,517.08	\$7,063,414
December 31, 1923.	\$835,784.21	\$9,320,412
December 31, 1924.	\$965,486.28	\$14,412,640
December 31, 1925.	\$1,115,110.24	\$16,822,656
December 31, 1926.	\$1,306,072.34	\$20,084,488

The company is issuing all standard and some special forms of participating and non-participating legal reserve life and endowment insurance, and many forms of group insurance, as well as many attractive kinds of accident and health policies.

The Gem City Life is an ideal organization in which you will find all the good things you have been seeking in a company.

General Agency Openings in West Virginia, Georgia, Alabama, Louisiana, Ohio, Michigan and District of Columbia.

**I. A. MORRISSETT, Vice-President**

## Again "Performances Exceed Promises"

In its early years the Midland Mutual Life Insurance Company sold both part and non-par insurance. Considerable of the non-par was placed upon the Company's books, much of which still persists. Long ago the Company discontinued issuing non-par.

In June 1907 a young man purchased Midland policy No. 521 for \$2,000 on the non-par plan. He has now paid all the premiums and under the terms of his contract he is entitled to no dividends.

But in June 1928 he will receive a cash dividend of \$18.46 and an increasing amount each year thereafter, for by a recent ruling the Board of Directors made all this old non-part business participating without increase of premiums.

General Agency opportunities in ILLINOIS, INDIANA, MICHIGAN, PENNSYLVANIA, NEW JERSEY, MARYLAND, VIRGINIA AND WEST VIRGINIA.

**THE MIDLAND MUTUAL LIFE INSURANCE CO.**

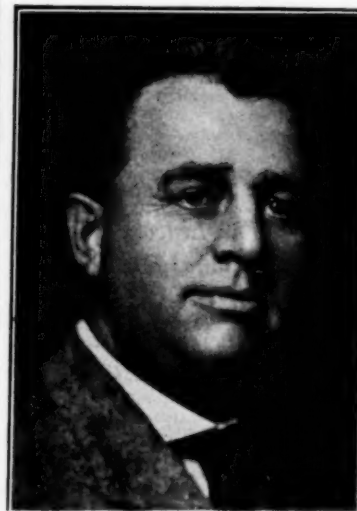
COLUMBUS, OHIO

of Commerce on various committees, and is at the present time a member of the "Greater St. Paul" committee.

### DEMING GOES TO MERCHANTS

**Well Known Des Moines Life Underwriter Will Take Charge of the Home State Organization**

M. M. Deming, Iowa superintendent for the American Central Life, who was formerly general agent for the Kansas City Life and vice-president and agency director of the Western Life of Des Moines, prior to its merger with the Royal Union Life, has become connected with the Merchants Life of Iowa, making his headquarters at the home



M. M. DEMING

office. He will have charge of all Iowa territory with the exception of Des Moines, which is handled by Elmer Loucks as city manager.

He is prominent in work of the National Association of Life Underwriters and is at present one of the regional assistants to the National Association president.

### GENERAL AGENTS APPOINTED

**Mutual Trust Life Announces Three Additions to Field Personnel—Two Are in Northwest**

John Nystul, formerly manager of the life insurance department of the White Price Investment Company of Minneapolis, has been made general agent of the Mutual Trust Life for North Dakota. His headquarters will be at Fargo.

P. G. Welton, who formerly was with the Equitable Life of New York, has been appointed general agent of the Mutual Trust for the rural territory directly west of Minneapolis. For the present Mr. Walton will live in Minneapolis and will organize his territory from there.

William F. Larsen of Springfield, Mass., has been made general agent of the company at Springfield. Mr. Larsen has a record of 15 years of successful life insurance selling.

### John J. Kruger

John J. Kruger, who for the last three and a half years has been acting as an agency special for the Missouri State Life, has been appointed assistant manager of the company's Chicago branch. Mr. Kruger, who is 30, was born at Huddersfield, Eng., and came to the United States in 1913. Soon afterward he entered the office of Klee, Rogers, Wile & Loeb, an outstanding Chicago insurance firm, as private secretary to Mr. Loeb. Although during this time Mr. Kruger sold all kinds of

insurance, he was particularly attracted to the life and accident business. For two and one-half years he represented the Missouri State Life in these lines before he was made agency special.

### William T. Brown

William T. Brown, who since 1921 has been cashier of the Marion Rich agency of the Missouri State Life, has been made manager of the agency for North and South Carolina. Though he has borne the title of cashier, Mr. Brown has served the agency in many capacities.

### C. M. Carson

C. M. Carson, former general agent for the Continental Life, has been appointed general agent in Washington for the American National of Galveston, which has just entered the state. Mr. Carson was also with the Central Life of Iowa for six years as general agent in Washington, Idaho and Montana.

Mr. Carson is also general agent for the Washington Fidelity National, accident and health company of Chicago, for Washington, Idaho and Montana, and is conducting an active campaign for development of both life and accident.

### J. S. Sparkman

J. S. Sparkman, late of Poplar Bluff, Mo., has succeeded George W. Pardee as state agent at Little Rock, Ark., of the Kansas City Life. Mr. Pardee at the time of his retirement had the distinction of being the oldest man in point of service in the company, having been with the Kansas City Life for 26 years.

### William T. Rutherford

Appointment of William T. Rutherford as general agent for Oakland and San Francisco for the New World Life of Spokane is announced by President John J. Cadigan.

### E. H. Wilkes

The Fidelity Mutual Life announces the appointment of E. H. Wilkes as manager of the Sacramento Valley department with headquarters in Sacramento, Cal. Mr. Wilkes has been one of the star agents of the California State Life for the past four years.

### Minnesota Mutual Appointments

Lee H. Tucker has been appointed general agent for the Minnesota Mutual Life covering Toledo and northwestern Ohio. Mr. Tucker has been actively engaged in insurance work in and around Toledo for some time.

S. D. Whelchel of Springfield, Mo., has recently been appointed general agent for the company. Mr. Whelchel for many years has been connected with the Aetna Life.

The general agency at Gillette, Wyo., formerly held at the Commonwealth Company, has been taken over by William A. Nicholas, who was formerly associated with the Commonwealth Company.

### D. E. Ruggles

The Equitable Life of Iowa announces the appointment of D. E. Ruggles as manager of the Boston agency. Mr. Ruggles was manager of the Cincinnati office of the Travelers for many years, where he was prominent in the life insurance fraternity of that city and later was manager at Baltimore for the Travelers. The Equitable of Iowa is the only company west of the Mississippi which is licensed in Massachusetts.

### Illinois Bankers Changes

Changes in personnel affecting three general agencies were made recently by the Illinois Bankers Life. At Kansas City, H. V. Clyborne was appointed general agent, succeeding A. E. Booth, resigned. Mr. Clyborne has a record of \$500,000 personal production last year.

H. W. Crouch was given a district agency at Leavenworth, Kan., and T. P.



Gordon, who held a district agency at St. Joseph, Mo., is enlarging his field there.

Loren Allen, who for several years had done outstanding work with insurance service organizations, has been made general agent at Des Moines, with most of the state as his territory. This point was made vacant some months ago by the death of Frank Horton.

At Los Angeles, Morse Brink of St. Paul, Minn., was named general agent, succeeding E. G. Chouteau. Mr. Brink has been engaged for 15 years in producing and organizing work.

#### Paul J. Kirby

Spencer S. Dodd, manager of the Spencer S. Dodd agency in Boston for the Berkshire Mutual Life, announces that Paul J. Kirby, for the past seven years connected with the Connecticut Mutual Life agency in Boston, has become an associate manager of the Dodd agency.

#### W. W. Rixey

W. W. Rixey has been appointed city manager of the Oklahoma City district agency of the Kansas City Life, effective June 1. Mr. Rixey who has been cashier and manager of the State Bank at Texline, Tex., for the past eight years, has been a banker representative of the Kansas City Life at that point. He recently sold out his banking interests and moved to Oklahoma City.

#### H. A. Anderson and S. R. Clark

H. A. Anderson and S. R. Clark have been appointed district agents of the Northwestern National for a large territory in Iowa with headquarters at Council Bluffs, operating under H. O. Wilhelm & Co. Both men have had experience in farm loans and insurance and are well acquainted in their territory.

#### Fidelity Mutual Appointments

William B. Lee, Jr., has become manager of the Fidelity Mutual Life at Rochester, N. Y. Nicholas P. Dapore is appointed manager at Dayton, O. Remi Plourd has been appointed at Manchester, N. H.

#### L. H. Echols

L. H. Echols has been appointed state manager for Virginia for the American National of Galveston with headquarters at Richmond. Although the company has been licensed in Virginia for several years, this is the first time that it has had a manager for the state, previously it has been writing business through a district manager at Roanoke.

Mr. Echols goes with the company from the Connecticut General.

#### Jerry Fry

Jerry Fry, formerly with the Kansas City Life in the Dallas branch, and later Texas manager for the Old Line Life of Milwaukee, has become general agent for the Royal Union Life of Des Moines, with headquarters at Dallas.

#### G. B. Adams and G. K. Edwards

George B. Adams and George K. Edwards, both formerly associated with the John Hancock Mutual Life, have taken over the Seattle office of the Continental Life.

#### Lester Lawrence

Lester Lawrence of Des Moines has gone to Glendale, Cal., to become general agent there for the Missouri State Life.

#### K. N. Huber

K. N. Huber, for several years cashier of a bank in Bainville, Mont., has been appointed general agent for the Montana Life for Roosevelt, Chadron and Daniels counties with headquarters at Bainville.

#### Life Agency Notes

Edward Tresemer has resigned his connection with the First National Bank of Iowa Falls, Ia., to go with E. C. Ford of the Cedar Rapids Life. He will act as special agent for north central Iowa, his territory covering 11 counties.

Albert E. Mielenz, general agent in Milwaukee for the Aetna Life, has announced that C. C. Roberts has been appointed field supervisor for seven counties in southeastern Wisconsin, adjoining Milwaukee county. Mr. Roberts has been with Aetna for several years and was formerly supervisor for Milwaukee county.

#### Hayes Succeeds James

Raymond P. James, formerly actuary of the Virginia bureau of insurance, who entered this week upon his new duties as assistant actuary of the Atlantic Life at Richmond, is succeeded by William P. Hayes, hitherto assistant actuary of the bureau. S. W. Houser is promoted from examiner to assistant actuary succeeding Mr. Hayes. Mr. James went with the bureau in July, 1922, as assistant actuary becoming actuary a month later when Arthur B. Upshur resigned that position to become actuary of the Home Beneficial Association of Richmond. Mr. Hayes, the new actuary of the bureau, was with the actuarial department of the Life Insurance Company of Virginia before he connected with the bureau.

## CALIFORNIA STATE LIFE

### SACRAMENTO

J. Roy Kruse  
President

DECEMBER 31, 1926

#### ADMITTED ASSETS

Real Estate—Home Office Building.....	\$ 1,544,922.75
All other Real Estate.....	276,982.96
First Mortgage Loans—Secured by real estate appraised at over \$10,000,000 .....	4,458,982.72
Policyholders' Obligations—Loans and lien notes to accommodate individual policyholders, secured by cash values of their policies.....	2,255,765.52
Cash on Hand and in Banks—Over 60% drawing interest .....	444,076.30
Bonds—Government, Municipal and Public Utility.....	675,307.83
Interest Due and Accrued—Mortgage loans and bonds..	128,378.54
Premiums in Course of Collection—Secured by legal reserves—All other assets .....	437,321.84
<b>Total.....</b>	<b>\$10,220,766.76</b>

#### LIABILITIES

Net Reserve—Set aside to meet insurance obligations as they may fall due by death or maturity of policies amounting to .....	\$ 8,615,708.36
Deferred Payments—Moneys held at interest for future payment to beneficiaries under deferred payment contracts .....	124,954.55
Claims Reported—Cash set aside to pay claims which have been reported but of which proofs have not been received .....	44,308.00
Premiums and Interest Paid in Advance and Accounts Accrued .....	94,185.64
Taxes for 1926—Reserve to cover taxes payable during current year .....	45,902.38
Reserves for Depreciation of Home Office Building and for Fluctuation in Value of Securities.....	103,669.55
All Other Liabilities .....	153,529.36
Capital Stock .....	\$500,000.00
Unassigned Funds—Surplus .....	\$38,516.92
Policyholders' Surplus—All of which forms a fund for additional protection of policyholders.....	1,038,516.92
<b>Total.....</b>	<b>\$10,220,766.76</b>

Admitted Assets, Over 10 Millions

Insurance in Force, Over 70 Millions

Agency openings for responsible men in

California, Oregon, Utah, Nevada, Arizona, Texas & Oklahoma

Address

M. F. Branch, Manager of Agencies, Sacramento

## A Record of Progress

THE growth in recent years of The Guardian Life Insurance Company of America is indicative of the efficiency of the modern sales methods placed at the disposal of its field force. The figures tabulated below record the Company's advance in the past five years.

	1922	1926
New Business Paid For . . . . .	\$ 35,431,368	\$ 71,812,005
Business in Force on December 31st . . . . .	206,310,800	333,042,886

In making plans for further development of our field force consistent with our growth, we have openings for managers in several territories. This may be your opportunity, especially

if your training and experience has been such as to equip you for managerial responsibility. Write in full confidence, stating your age, history and qualifications for the position.

T. LOUIS HANSEN, Vice-President

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

Established 1860 Under the Laws of the State of New York

50 UNION SQUARE, NEW YORK

# You will Appreciate this Help

The  
Company  
of  
Co-operation

—just like our other agents do, for the assistance we give them is the PERSONAL kind that makes you feel that the home office is working right with you all of the time.

## Des Moines Life & Annuity Company

J. J. Shambaugh, President  
DES MOINES, IOWA

## THE HOME LIFE

*A Company of Opportunity*

Ethelbert Ide Low  
President

James A. Fulton  
Supt. of Agents

256 BROADWAY, NEW YORK CITY

### NEWS FROM EASTERN FIELD

#### JOHN C. BOND FOUND INSANE

Jury Says Former West Virginia Official Not Insane at Time of Alleged Forgeries—Sent to Asylum

CHARLESTON, W. VA., May 18.—When the last chapter in the case of John C. Bond, suspended state auditor and insurance commissioner, came up in the criminal court on indictments for forgery and embezzlement, the judge ordered a preliminary hearing before a jury to test Mr. Bond's mental condition. Last Saturday the jury declared by verdict that Bond is now insane but was not insane two years ago when he committed the alleged forgeries and embezzlement of state funds. He was committed to an insane hospital Monday.

At the hearing state officials including Governor Gore were called to tell what they had noticed in Mr. Bond's actions. The defense made much of Bond's alleged shell shock while an officer in the late war in France, and his family physician had much to offer about the blood disease which had poisoned his brain. Other state officials testified that Mr. Bond had always appeared unusually efficient and keen-minded.

It was left for Dr. L. V. Guthrie, superintendent of the Huntington state hospital, to tell the jury bluntly that Bond is a paranoiac and that means, he said, with homicidal possibilities. The effects of the blood disease were not so pronounced to be of moment. Whether the paranoia was in evidence two years ago when the forgeries occurred the expert could not say for lack of facts. The case occupied all of last week.

#### Speak on Insurance Trusts

The series of meetings being held in Boston weekly under the auspices of Franklin W. Ganse and Paul F. Clark on the subject of life insurance trusts was continued last week with talks by Frederick A. Peterson, general agent of the New England Mutual Life in Pittsfield, Mass., and John A. Sargent, manager of the life department of John Paulding Mead Company in Boston. Both men illustrated the application of the life trust idea by giving examples of their own writings along this line with full and detailed explanation of the reasons for and uses of the trusts.

#### Ballou Is Kiwanis Speaker

A. P. Ballou, manager at Detroit for the Mutual Life of New York, delivered the charter address before the Kiwanis Club at Wyandotte, Mich., Monday evening. Mr. Ballou is a member of the Detroit Kiwanis, and is a former district governor of the Kentucky and Tennessee Kiwanis.

#### Hartford Actuaries Entertained

Thirty-two member of the Actuaries' Club of Hartford were entertained by the Connecticut Mutual Life Insurance Company at its new home office building last week. W. P. Barber, Jr., was chairman.

The discussion covered premiums and commissions on single and annual premium annuities, deduction of unpaid instalments of premium at death, and frequency and practical methods of mortality investigation.

#### H. W. Jones Makes Record

H. W. Jones, New York, general agent for the Canada Life, whose offices were first opened for business only four months ago, has already won a distinguished place for himself on the honor roll of the company's 35 agencies, standing seventh in business paid for and next to the top in percentage of allotment paid for.

#### REDDALL SPEAKS TO AGENTS

Advertising Manager of the Equitable Life of New York Tells How Advertising Assists

NEW YORK, May 19.—W. J. Dunsmore, one of the metropolitan managers of the Equitable Life of New York, gave a luncheon last week to the leaders of his agency, at which the principal speaker was Arthur H. Reddall, advertising manager of the company. Outlining the work of his department in assisting the agent to sell more life insurance, Mr. Reddall said it aimed first of all to provide him with the necessary tools—rate books, dividend leaflets, application blanks, policy forms, etc. Every agent also receives "Agency Items," the weekly periodical published by the home office, containing good ideas on selling. In keeping the name of the company before the insurance world and the general public, newspaper advertising in the various localities and advertisements in the insurance press had proved most valuable, said the speaker. As agents become more skilled and advance in their work, they are offered advertising books, circulars and educational correspondence courses. The company also furnishes a personal letter service. In concluding Mr. Reddall said that if the booklets sent out to agents and prospects serve no other purpose than that of educating the company's 10,000 agents, they more than pay for themselves.

#### Yates Agency Holds Reception

The John W. Yates agency of the Massachusetts Mutual Life in Detroit celebrated the 76th anniversary of the company's organization with a reception for friends and policyholders, held in the agency's new offices. William H. Sargeant, first vice-president and Joseph C. Behan, superintendent of agents, were present. The company wrote \$17,000,000 in Michigan last year, bringing its total insurance in force to \$90,000,000. The agency has much more space in its new quarters, which have been arranged for the maximum of efficiency.

#### New Indiana Assessment Company

The Economy Life Insurance Association has been incorporated in Indianapolis to operate as a mutual aid association on the assessment plan. The incorporators and directors are Ora A. Abraham, John W. Pringle, Fred A. Abraham, Carey A. Patton and Julian C. Wiggam. Mr. Pringle is the manager and the association has taken quarters in the Illinois building in Indianapolis. It will write both death and disability benefits.

#### J. E. Hall Agency Honored

NEW YORK, May 18.—In honor of the fifth anniversary of the agency, a dinner and dance were held here this week for more than 150 members of the staff of the J. Elliott Hall agency of the Penn Mutual. There were no speeches except for a brief word of welcome by Mr. Hall at the dinner. The home office was represented by J. Howard Jefferies, assistant to the vice-president.

#### Big Line Is Written

NEW YORK, May 19.—A line of \$1,000,000 has just been written on the life of a prominent local business man by W. B. Salisbury and James A. O'Connell of H. C. Lawrence & Co., general agents at Newark for the Lincoln National Life. A dinner was recently given by the agency in honor of Rex H. Rafferty, assistant superintendent of the eastern district when he was making an inspection tour of his territory.



## IN THE MISSISSIPPI VALLEY

### ST. LOUIS CLASS GRADUATED

**Y. M. C. A. Life Insurance Course**  
Under Direction of C. L. Byars and  
Frank M. See Completed

The closing exercises of the graduating class of the St. Louis Y. M. C. A. life insurance school were held recently. Inspirational addresses were the feature of a dinner attended by members of the class, members of the advisory staff, and members of the St. Louis Alumni of Approved Life Underwriting Schools. The life insurance school was sponsored by the Life Underwriters' Association. C. L. Byars, manager of the Travelers, was the instructor of the course in principles and policies of life underwriting, and Frank M. See, manager of the Union Central, was the instructor of the course in practical sales methods of life insurance underwriting. A resolution was adopted by the class expressing the appreciation of the members for the service rendered by the instructors, an ornate copy of which was presented to each instructor.

Short addresses were made by M. A. Nelson, Fred T. Rench, and Ira Fisher of the advisory staff, and by W. D. See, educational director of the Y. M. C. A. The two instructors also made brief talks. This being a joint meeting, the offices of the class organization were merged into the alumni of the Approved Life Underwriting Schools by the election of the following officers: President, C. E. Woodbury, National Life of Vermont; vice-president, Si Parker, Provident Mutual; secretary, Mrs. Pringle, Travelers.

### Wells to Address Managers

George W. Wells, Minnesota insurance commissioner, will be the principal speaker at the next meeting of the St. Paul General Agents & Managers Club, May 24. This will be the first regular meeting since the organization was completed a month ago.

### Again Beat Wisconsin's Code Plan

Indefinite postponement has been recommended for Joint Resolution 62-A in the Wisconsin assembly which would provide for the codification of the Wisconsin insurance statutes and also call for an investigation of the insurance business. This is the second defeat for this measure, as the senate killed a similar resolution a few weeks ago.

### Agent Heads Masonic Drive

Earl M. LaPlant, agent for New York Life at Sturgeon Bay, Wis., and department vice-president in 1925, was chairman of a drive that raised \$27,000 for a new Masonic home in that city in three days.

### Minnesota Bankers Hear Stevenson

John A. Stevenson, vice-president of the Equitable Life of New York, addressed the second district Minnesota Bankers' Association at an annual meeting in Mankato last week. In giving bankers credit for a large share of the increase in life insurance purchased in the United States the past few years Mr. Stevenson said that the business has increased from a little over a billion in 1880 to 35 billions in force at present.

### Instruction School at Springfield

A school of instruction for Pan-American Life agents is being held this week at Springfield, Ill. C. D. Corey, vice-president, and Ted M. Simmons, assistant superintendent of agencies from the home office, were present to direct the meetings. R. F. Butts, general manager of the local district, arranged the program.

### INTRODUCE ILLINOIS BILLS

**Related to Organization and Control of Societies by Department of Trade and Commerce**

SPRINGFIELD, ILL., May 18.—Senate bill 405 introduced by Senator Kessinger last week, amends the act relating to life and accident insurance companies doing business on an assessment plan as to examinations by the department of trade and commerce, suspension or revocation of licenses of foreign companies, provides for judicial review instituted in Sangamon county circuit court from any procedure of the director of trade and commerce and makes domestic insurance corporations which are subject to the act also subject to the act relating to dissolution of delinquent insurance companies, associations and societies.

Senate bill 428 extends cash loan privileges to fraternal beneficial societies.

House bill 583 provides for the incorporation, regulation and control of assessment life insurance companies. Among other things, the bill provides that assessment societies may issue life contracts in which the liability of the policyholder is limited to the premium named therein, providing the society meets certain requirements prerequisite to the use of this privilege.

### Franklin Life Milwaukee Meeting

At the annual meeting of the Franklin Life agency in Milwaukee under the direction of Michael Drury, general agent, and James A. Rigby, agency supervisor, Joseph W. Jones, vice-president of the company, was the chief speaker. Joseph Moore, Green Bay, general agent at that point, also addressed the agents.

### Mutual Life's Fargo Meeting

Thirty agents attended the southeastern North Dakota conference of the Mutual Life of New York in Fargo last week. The Fargo meeting concluded a series of conferences held in the state. Meetings were held at Grand Forks, Devils Lake and Oakes. H. T. Lewis, regional manager, and M. J. Snyder, statistician, both of Minneapolis, led discussions. Forms of policies and settlements and other phases of life insurance were discussed. S. D. Scott, manager of the Fargo branch, was in charge.

### April Good Month for Acacia

L. R. Stamm, branch manager of the Chicago office of the Acacia Mutual Life, announces that his office did more than \$1,000,000 of paid business in April. This was approximately 30 percent better than the office did in April last year.

### North Dakota Bills Passed

The North Dakota legislature at the last session adopted a measure changing the provision in life insurance policies that the policy shall be incontestable after two years, to permit insurance companies to investigate claims and protect themselves against fraud. Under the old law a defense could not be set up if the filing of a claim was deferred until after the two-year period had expired. Another measure provides that disposal of the proceeds of a policy by will where a beneficiary has been named in the policy is invalid, and the exemption of life insurance policy proceeds from the claims of creditors is made more specific.

### L. J. Fohr Elected to Club Board

Louis J. Fohr, Chicago general agent of the Connecticut General Life, was elected to the board of directors of the Chicago Insurance Club at the annual election this week. So many life men have taken membership in the club in

## A TOWER OF STRENGTH

**Insurance in Force**  
**\$1,250,000,000**

ASSETS .....	\$345,000,000
SURPLUS AND CONTINGENCY	
FUNDS .....	45,000,000
TOTAL LIABILITIES .....	300,000,000
(Including Paid-up Capital)	

Interest on Policy proceeds, profits, etc.,  
left with the Company  
5½%

Total investments in United States securities  
exceed \$125,000,000

**"Prosperous and Progressive"**

**SUN LIFE**  
**ASSURANCE COMPANY**  
of CANADA

## "Choosing a Company"

—a booklet

There are certain fundamental tests by which a company may be judged, and it is for the purpose of emphasizing these governing points that this booklet has been prepared. In it are set forth 17 tests for choosing a company. "Look before you leap" is a good maxim to follow in choosing a company as well as anything else. Legal Reserve life insurance has reached such a high level and there are so many good companies, that if this booklet serves to assist any man in choosing a company that will mean a future of happiness rather than disappointment, even though that company may be other than Mutual Trust, it will have served its purpose.

Send for your copy today

**MUTUAL TRUST**  
**LIFE INSURANCE COMPANY**

Carl A. Peterson, *Vice-President*

A. E. Wilder, *Director of Agencies*

77 W. Washington Street, Chicago, Illinois

## OPENING for DISTRICT MANAGER

We have a connection with a banker in the State of Minnesota who has a large number of bank connections and he is desirous of having an experienced life insurance man between the age of twenty-five and thirty-five with a family and with the best of references to locate in his town and build a district agency with him. For further particulars write Modern Life Insurance Company, 547 Endicott Building, Saint Paul, Minnesota.

### Life Insurance in Force

December 31, 1926  
(Ordinary and Industrial)

**\$383,578,015.00**

Surplus Security to Policyholders  
**\$3,874,514.37**

Conservative Progress Every Year. Operating  
From Coast to Coast, Canada to the Gulf,  
Cuba and Hawaiian Islands.

**AMERICAN NATIONAL  
INSURANCE COMPANY**  
Galveston, Texas

W. L. Moody, Jr.,  
President

Shearn Moody,  
Vice-President

W. J. Shaw,  
Secretary

### New Increased Dividend Scale

Effective January 1, 1927

**NEW ENGLAND MUTUAL  
LIFE INSURANCE COMPANY**

BOSTON, MASS.

*This Company is now in the very Forefront on Low Net Cost*

**There's MANY a slip twixt cup and lip—**

CHICAGO, ILL.

**\$2.00 a Year**

But the CASUALTY INSUROR will  
eliminate many of them in your  
solicitations for CASUALTY BUSINESS

recent months that the constitution was altered to provide for a life representative. Mr. Fohr is the first man honored

with board membership. He is prominent in insurance circles and is diligent in promoting the welfare of the club.

### IN THE SOUTH AND SOUTHWEST

#### NEW BUILDING IS DEDICATED

Mid-Continent Life Holds Two Day  
Celebration at Formal Opening  
of Home Office

OKLAHOMA CITY, May 18.—Showers of congratulations and beautiful tributes were heaped upon R. T. Stuart and Edwin Starkey, president and vice-president of the Mid-Continent Life, in recognition of the completion and formal opening of the company's new building last week. The celebration, a two-day event, was attended by thousands of Oklahoma City people eager to inspect the new structure. Beginning with an agency luncheon, which was attended by nearly 150 agents and their wives, the building was a scene of gaiety throughout the two-day period. The luncheon was held in the large assembly room which occupies almost the entire fourth floor and culminated in a huge reception, followed by an informal dance, to which the general public was invited. The banquet was attended by the agency force and about 500 guests, composed of leading business men of the city, who later acted as reception committee at the festivities.

#### Praise Company Officials

The business ability and integrity of Mr. Stuart and Mr. Starkey were praised by speakers representing the big institutions of the state, with Pat McNeff, former Governor of Texas and present mediation board member at Washington, D. C., sounding the final message of congratulation. Governor McNeff was preceded by a number of Oklahomans, including Ed. Overholser, manager of the Chamber of Commerce; J. F. Owens, chairman of the board of directors of the state chamber; Dr. Eugene M. Antrim, president of the Oklahoma City university; P. A. Janeway, president of the Liberty National Bank; W. J. Pettie of the Pettie Hardware Company; Grover C. Wheeler, president of the Oklahoma State National Bank of Clinton; W. J. Holloway, lieutenant governor; Walter M. Harrison, "Oklahoman" and "Times"; Dr. Bizzell, president of the University of Oklahoma; Judge I. J. Cook, of Atoka, member of the company's board of directors.

Entertainment was furnished by the Glee Club, students and members of the faculty of the school of music of the Oklahoma City College. Members of the Oklahoma Bankers Association in annual convention in the city adjourned to attend the barbecue luncheon served by the company at its new home.

#### Oklahoma Agents Compete

A statewide contest for volume of business started May 15 by agents of the Equitable Life of New York in Oklahoma. East side agents will compete with those of west Oklahoma. A picnic at Spavinaw Lake will be given if the former wins, and a one day trip to Medicine park, providing the west side wins. Losers are to pay for their own expenses and winners provide the entertainment.

#### Bilheimer Is Dallas Speaker

W. E. Bilheimer of the Merchants' Life of Des Moines spoke at a joint meeting of the Managers' Club and the North Texas Life Underwriters' Association in Dallas last week. Mr. Bilheimer was the guest of Grady Brown while in Dallas.

#### Texas Made Good Record

Second in the United States in April, instead of fourth as heretofore, was the record of the Northwestern National

Life Texas agency, managed by Cravens, Dargan & Co. of Houston. Only Minnesota, the home office state, wrote more new life insurance. Texas increased its results over April, 1926, by 40 percent.

Mrs. G. A. Ralls of Houston is receiving many congratulations upon being leading producer of new business in April, having won out amongst some 300 salesmen. J. O. Davis of Corpus Christi won sixth place; J. H. Kraft of Houston eleventh; and S. J. Nadel of Dallas twelfth.

H. W. Neuhauser of Houston, leads for the year in highest amount of new premiums produced.

#### Woman Enters \$250,000 Class

Mrs. R. L. Sheffield of Waverly achieves the distinction of being the first Virginia woman ever to qualify for the \$250,000 field club of the Mutual Life of New York. She is one of six members of Manager S. B. Love's agency who have won the right to attend the meeting of that club to be held June 22-23 at Seattle. Mrs. Sheffield joined the forces of the Mutual Life in the summer of 1925. Previously she had had no insurance experience. In addition to qualifying for the \$250,000 club, Agent E. L. Ayers achieved distinction by standing seventh among representatives of the company for the number of lives insured in April.

#### Unusual Record Broken

The Southland Life has had an unusually successful experience in the field of which Dallas is the center. In Garland and Nevada, the two towns so seriously stricken by the recent storm, the company had been writing heavily for many years with the record of not a single loss. Indeed, a policy in the Southland Life would almost seem to provide immunity from harm but last week's tornado numbered among the victims one Southland policyholder, the first death on the company's rolls from that territory.

#### Will Write Accident and Health

The Southland Life of Dallas, Tex., has amended its charter so as to increase its corporate powers to include the writing of health and accident insurance. The amendment to the charter has been approved by the attorney general. It is understood the company will begin writing health and accident insurance in the near future.

#### Protective Life Buys Building

The Protective Life of Birmingham, Ala., has purchased the Ledger building at First avenue North and Twenty-first street. The consideration is said to have been approximately \$400,000. The building will be occupied by the Protective Life.

#### Lamar Life Convention

The Lamar Life of Jackson, Miss., will hold its 1927 agency convention at the Edgewater Gulf hotel at Gulfport, Miss., Aug. 24-27.

#### New Texas Company Organized

Texas is to have another legal reserve life insurance company. The minimum capital stock of \$200,000 for the Western Reserve Life Insurance Company with home offices at San Angelo, has been subscribed and application for the charter and a license to do business in Texas will be made in a few days.

The stock in the company has been taken by bankers, business men and ranchers in Tom Green and some ten other counties in West Texas. San



Angelo is a city of some 20,000 inhabitants and is the banking and jobbing center of the cattle country of west Texas. Its distributing territory extends to the Rio Grande River. The

new company will be domiciled in a city which is 200 miles from any other home life insurance company in Texas. The company will write all lines of life insurance.

## PACIFIC COAST AND MOUNTAIN FIELD

### OREGON BUSINESS IS GIVEN

#### New Insurance Written in the State Last Year—Company Leaders Are Enumerated

In Oregon last year the new business written outside of group and industrial amounted to \$90,598,960. There is now insurance in force, \$492,862,628. The insurance terminated was \$57,857,719. The premiums collected in the state amounted to \$15,748,760. The new assessment business amounted to \$1,417,000, the Guarantee Fund of Omaha writing the bulk with \$1,377,000. There was \$6,283,324 group, the leader being the Travelers with \$3,199,700, followed by the Equitable of New York with \$1,018,699. The industrial amounted to \$6,884,569, the Metropolitan writing \$4,136,496, the Prudential \$2,711,638. The leaders in new ordinary business were as follows:

	New Business	In Force
Aetna Life.....	\$4,437,287	\$19,210,661
Bankers, Iowa.....	1,875,500	12,658,374
Equitable, N. Y.....	4,575,015	33,558,557
Equitable, Iowa.....	1,342,808	7,601,345
Kansas City Life.....	1,228,000	6,789,097
Lincoln Natl. Life.....	1,153,855	1,394,963
Massachusetts Mut.....	1,995,928	13,832,459
Metropolitan.....	8,761,930	56,497,745
Missouri State.....	1,537,769	5,014,992
Mutual Benefit.....	1,504,000	17,368,766
Mutual Life, N. Y.....	6,093,249	40,594,349
National, Conn.....	1,956,093	7,493,387
New England Mut.....	1,955,261	12,005,091
New York Life.....	8,719,797	55,350,732
Northern L. Wash.....	2,241,300	4,814,118
Northwestern Mut.....	1,766,300	30,063,189
Occidental.....	2,053,355	10,166,857
Penn. Mutual.....	1,670,631	11,715,057
Prudential.....	5,660,582	26,875,356
Sun Life, Can.....	1,050,247	1,993,821
Travelers.....	6,221,985	19,761,674
West Coast.....	1,773,985	6,283,989
Western Union.....	1,557,650	7,309,808

#### Midland Mutual in California

The Midland Mutual Life of Columbus, O., has been licensed in California. Matt T. Mancha Company of Los Angeles has been appointed general agent with Karl W. Reynolds manager of the life department. Other general agencies will be established in San Francisco, Sacramento and Fresno.

#### New Companies in California

The Citizens Mutual Life Insurance Association of Los Angeles and Angelus Mutual Life Association, also of Los Angeles, have been organized and licensed to operate in California. The Southland Life, with J. C. Casler of Los Angeles as general agent, has also been licensed in that state.

### ORDERS AMENDED COMPLAINT

#### Colorado Civil Service Commission Will Hear Charges Against Cochran on May 31

DENVER, COLO., May 18.—The state civil service commission Friday ordered Charles T. Fertig, sponsor of ouster charges against Jackson Cochran, state insurance commissioner, to file an amended complaint, setting forth the accusations in greater detail, not later than 10 a. m. Thursday. The commission also set May 31 at 10 a. m. as the date of a hearing on the amended complaint.

In its order, the commission declared Mr. Fertig must set forth the following: What rules and regulations did Mr. Cochran disregard in conducting his office; what ratings of civil service employees did he ignore; what employees did he harass and when; what employees did he deprive of work and when; and what employees did he force to resign?

Paragraphs 2 and 6 in the original complaint, charging, respectively, that Mr. Cochran disorganized his office and was arrogant, intolerant and arbitrary in his attitude, were not touched upon.

Counsel for Mr. Fertig objected to the request for greater detail, arguing this would expose the entire case before an actual hearing took place, that the case would thereby be tried in pleadings and not by the taking of testimony, and that this would render insecure the positions of employees of the insurance department who would be asked to appear against their employer.

Mr. Cochran's attorneys contended their client was entitled to know facts of the case and basis for the allegations. They also contended the suit was nothing more than spite work and of personal nature.

"There is nothing personal in the charges," Mr. Fertig's attorney said, "the suit has been filed for good of the public and not for personal or political reasons."

#### Celebrate "Heron Month"

The Pacific Coast agencies of the Fidelity Mutual Life designated May as "Heron month" in honor of F. W. Heron, assistant manager of agencies. The plan was all arranged secretly until Mr. Heron found his desk covered with letters from all of the coast agents advising him of the program. The agents are going to try to break all previous coast records for the company.

## Connecticut General News Hartford, Conn.

### A New Profit Maker in Accident Insurance

Our new AA contract contains all the coverage of standard Accident policies and in addition pays (1) double indemnity for automobile accidents, (2) single indemnity for airplane travel accidents, (3) X-Ray examination benefits.

Your clients will be well protected with this up-to-date contract and you will be repaid for your time. Circulars on request. Connecticut General Life Insurance Company, Hartford, Conn.



We have openings in Ala., Ark., Del., D. C., Fla., Ga., Ill., Ia., Kans., Md., Mich., Minn., N. M., N. C., Okla., S. D., W. Va. and Wyo.

### Our Agents Have A Wider Field— An Increased Opportunity

#### Because we have

Age Limits from 0 to 60.  
Policies for substantial amounts (up to \$5,000) for Children on variety of Life and Endowment plans, thus enabling parents to buy all of the Family's insurance on the Ordinary, i. e. Annual, Semi-annual or quarterly premium plan.  
Participating and Non-Participating Policies.  
Same Rates for Males and Females.  
Double Indemnity and Total and Permanent Disability features for Males and Females alike.  
Standard and Substandard Risk Contracts, i. e. less work for nothing.

### THE OLD COLONY LIFE INSURANCE COMPANY of CHICAGO

E. R. NUESKE, President

## IN THE ACCIDENT AND HEALTH FIELD

### PICK TORONTO FOR MEETING

#### Health & Accident Underwriters Conference Will Hold Summer Session There Sept. 15-17

T. Leigh Thompson, chairman of the executive committee of the Health & Accident Underwriters Conference, announces that the committee by a unanimous vote has selected Toronto as the place for the annual meeting of the conference and fixed the date for Sept. 15-17. The headquarters will be at the King Edward hotel. The International Claim Association will hold its annual meeting at the same place Sept. 12-14, immediately preceding the date selected for the Conference meeting and the desire of many members of the Conference to have the meeting held in connection

with that of the claim association was the primary factor in the selection of Toronto.

The committee had sent out a letter to Conference members asking for their first and second choice of meeting place. Of the 39 which expressed a first choice, there were 36 votes for Toronto. New Orleans had 18 votes for the first choice and 18 second choice.

### GROUP POLICIES DISCUSSED

#### Some State Departments Feel That Artificial Means Are Employed to Get Lower Rates

While insurance commissioners have been studying the question of discrimination as to automobile rates in connec-

## You Who Seek Opportunity

Opportunity exists always for those who seek success and satisfaction in life insurance field work.

During 84 years the first American legal reserve mutual life insurance company has been served and built to greatness by men who found both success and satisfaction in so doing.

This company writes all standard forms of insurance and annuities on both men and women. Age limits 10 to 70.

Those who contemplate life insurance field work are invited to apply to

## The Mutual Life Insurance Co. of New York

34 NASSAU STREET

NEW YORK, N. Y.

## A PURELY MUTUAL COMPANY!

If You Have Knocked  
the "T" Out of "Can't"

WE CAN GIVE

1. You a liberal first year commission.
2. An unexcelled renewal commission.
3. Your beneficiary a renewal pension.



## MR. AGENT

Do you care for QUALITY?  
Age, Sound Experience, Low  
Cost, a Splendid Record for  
over 67 years?

Then why not take  
a General Agency for

## THE ST. LOUIS MUTUAL LIFE

Our Agents and Policy Holders  
Stick! Write:

**D. E. MacMILLAN,**  
Supervisor of Agents,  
3640 Washington Ave.,  
ST. LOUIS, MO.

## WHAT'S AHEAD?

That question is in the mind of every ambitious man. It's in your mind.

If the answer does not satisfy, it will pay you to learn the advantages of a life underwriting contract with Fidelity.

Fidelity originated the disability provision, the double benefit feature, and the "Income for Life" plan. It operates in forty states on a full level net premium basis with more than \$70,000,000 in assets and over \$343,000,000 insurance in force.

More than 36,000 direct leads a year  
from Head Office lead service

**THE FIDELITY MUTUAL LIFE  
INSURANCE COMPANY**

PHILADELPHIA  
Walter LeMar Talbot, President

"CARTOONS Without a Doubt are the  
Most Effective Weapons to Arouse  
Agents to a Sense of Their Own Defects  
Without Offending Them"

Write today for proof sheets of cartoon cuts  
suitable for use in your company or agency  
publications.



tion with improvised fleets they have now come in contact with group accident and health policies issued to those that are not counted authorized groups. It had become common to allow automobile fleet rates to groups that were not under a common ownership. Take for instance, those connected with a hospital, a college, a fraternal organization, etc. In order to get around the regular individual car rate, some clever agent counted these groups and hence allowed a fleet rate. Now it is understood that some companies are issuing group accident and health policies to those that are not bound together by any special common tie or under a common management. Group insurance is not supposed to apply to any but employees under one employer or manager.

There are a number of propositions put to companies every once in a while for group disability. Some companies figure on a group regardless of whether it has been artificially stimulated or not. The line of demarcation seems to be whether there is any sort of a common payroll. For instance, some companies figure on teachers associations as being legitimate applicants for group disability. They would turn down, however, members of some club. An underwriter in commenting on the question gave it as his opinion that most of these groups are undesirable from a profit standpoint. He said that a company writing these cases had to make some excuse to its agents because the tendency of group insurance was to give a lower rate because the agent's commission was eliminated or greatly reduced.

### National L. & A. Promotions

Raymond H. Evans, who has been associate manager of the industrial claim department of the National Life & Accident, has been promoted to manager of the industrial death claim department. He was called to the home office in June, 1924, after having served for some time as superintendent there. Robert Rowland, for a number of years at the head of the industrial disability claim department, but for the past year in field work in the Dallas district, again takes up the work at the home office. Frank J. Bergan, formerly cashier at New Orleans No. 1, has been made an associate manager in the industrial death claim department. He was connected with the home office before going to New Orleans.

Another promotion announced by the company is that of William E. Fentress to traveling auditor. He has been assistant cashier of the ordinary department, having served as an agent at Houston and cashier at New Orleans before going to the home office.

### Overton With Inter-Ocean

Harold R. Overton has been appointed manager of the Inter-Ocean Casualty for Indiana, with headquarters in Indianapolis. He will continue as secretary of the H. A. Davis Company, Indianapolis general agent of the Commercial Casualty and sales manager of the Colonial Casualty. In addition to appointing agents for the Inter-Ocean Casualty he will adjust claims for the company.

### Wisconsin A. & H. Has New Policy

The Wisconsin Accident & Health of Milwaukee has brought out a new policy known as the "Peerless Life Accident Policy." It covers all accidents of every character, gives total disability for life or partial disability for six months, provides optional indemnities, surgeon's fees for non-disabling injuries, hospital treatment indemnity and double indemnity. The policy is sold on the annual, semi-annual and quarterly basis.

The company has taken new offices on the second floor of the Merchants & Manufacturers' Bank building, Milwaukee. President George E. Tyrell reports that the company has made a substantial increase in premiums every month so far this year.

### American Bankers in Chicago

Hugo Gottlieb, assistant manager of the Cass district of the American Bankers at Chicago, has been made manager of Chicago No. 1. J. R. Gathercoal, formerly agent on Mr. Gottlieb's staff, has been appointed assistant manager. The office has been moved from Cass street to 3100 South Michigan avenue.

The west side district in Chicago, which was formerly a part of the Cass district, has been placed in charge of Assistant Manager Moreland, who will have his headquarters at 543 Cass street. Under this reorganization it gives the American Bankers four districts in Chicago: No. 1, under Manager Gottlieb; No. 2, under Manager Isaacs; No. 3, under Manager W. G. O'Brien, and No. 4, under Assistant Manager Moreland. Special Agent W. R. Coyle has been transferred to Chicago No. 1, C. G. Caldwell and Walter Burling to Chicago No. 3. Secretary R. Y. Rowe, Agency Managers H. C. Welch and H. H. Jones, were present to install Manager Gathercoal and Mr. Parker. Mr. Parker is the new assistant manager at Chicago No. 2.

### Campaign Honors Adams

Agents of the National Accident & Health of Philadelphia in New England put on a special drive in April in honor of the second anniversary of the connection of Lee Hampton Adams, New England field manager with the company. The drive resulted in the writing of 1,009 applications, contributed by 75 agents, who averaged a little more than 13 applications each. Herbert L. Day, a broker in Bangor, Me., secured 180 commercial applications and collected premiums of \$1,735.

The increase in collection for the first four months of this year in New England amounted to approximately \$19,500 over the same period of 1926. Mr. Adams this month has closed the largest group accident and health policy ever secured for the company, covering approximately 900 employees and carrying a premium of more than \$30,000 a year. The business was secured through the cooperation and assistance of Francis J. Ahern, general agent at Barre, Vt.

### International Federation Meeting

The International Federation of Commercial Travelers Insurance Organizations will hold its annual convention at Swampscott, Mass., Sept. 1-3. This organization includes in its membership 12 of the traveling men's associations writing accident and health insurance. H. E. Trevett of the Commercial Travelers Mutual Accident, Utica, N. Y., is president, and Ira F. Libby of the Commercial Travelers, Boston Benefit Association, Boston, is secretary.

## NEWS OF FRATERNALS

### McCullough Heads Praetorians

Tom L. McCullough of Dallas was elected national president of the Modern Order of Praetorians at the quadrennial session in Dallas, Tex., last week, succeeding C. B. Gardner. Other officers chosen were: B. E. Looney, Denton, first vice-president; J. P. Hanks, Montgomery, Ala., second vice-president; J. W. Payne, Dallas, secretary; Louis Blaylock, Dallas, treasurer; T. W. Davidson, Marshall, attorney, and John N. Harris, Dallas, field manager.

Members of the board of directors selected are: P. D. Starr, San Antonio; R. W. Church, Pittsburg, Kan.; F. B. Gamage, Meridian, Miss.; T. H. Jenkins, Fort Worth; J. B. Savage, Roswell, N. M., and A. T. Layton, Dallas.

## NEWS OF LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values and all Changes in Policy Literature, Rate Books, etc., Supplementing the "Unique Manual Digest," published annually in May at \$4.00 and the "Little Gem" published annually in April at \$2.00.

## PROVISIONS ARE LIBERALIZED

### Berkshire Life Makes Change in Disability Conditions Without Making Increase in Rates

The Berkshire Life has liberalized its disability provisions without increasing the rates which were adopted Jan. 1, 1927. The new disability provisions are retroactive, applying to all policies issued at the rates adopted Jan. 1, 1927.

The new provisions provide that disability benefits will be made available immediately upon proof of total and permanent disability, and total disability existing continuously for a period

of 90 days will be considered as permanent within the meaning of the contract. In other respects the disability clauses are substantially as those written beginning September, 1926.

Any policyholder whose policy was issued at the new rates adopted Jan. 1, 1927, desiring to have the new provision substituted for the old may have this done by returning this policy to the home office for that purpose.

The announcement of these changes will be particularly welcome to the agents of the Berkshire as they are in the midst of a Loyalty Month drive.

## DISABILITY BENEFIT RULE

### New York Life Sets Out Very Clearly the Function of Incomes of This Kind

The New York Life has adopted a new rule governing disability benefits, in which it bases the disability limits to be issued upon income, stating that: "Disability benefits are intended to replace in a measure only the earned income which ceases when a policyholder becomes totally and permanently disabled." The company announces the adoption of this rule:

"No one to be granted disability benefits which would produce, in event of disability, an income of more than one-half of his earned income at the time of his application. In other words, this company will not grant disability coverage of more than one-half of the income which the applicant will presumably lose by the disability. In some cases where the company limits the amount of disability benefits, it will consider an additional amount with waiver of premium only. The company should be informed in every case of the amount of disability insurance carried in other companies and of the earned income of the insured."

### Exceptions to Rule

Exceptions to this rule are made in the case of women and young people. Women, whether married or single, may be granted \$2,500 of insurance to include full disability benefits and an additional \$7,500 with waiver of premium only. If engaged in a gainful occupation, women will be considered for full disability benefits for additional amounts commensurate with their earned income. Young people, ages 15 to 20, are eligible for \$2,500 disability and \$7,500 additional waiver of premium, with exceptions extending this limit if they are employed in a gainful occupation. College juniors and seniors may be considered for a maximum of \$10,000 full disability, with the privilege of increasing this after they enter business, provided they comply with the company's rules, which include evidence of insurability.

### Superstandard Risks

On "superstandard" risks, the company may grant as much as \$50,000 with income disability benefits, of which not more than \$25,000 may be increasing benefits. With waiver of premium, the company may issue up to \$100,000, of which \$25,000 may carry increasing benefits, \$25,000 may carry 1 percent benefits, and \$50,000 may carry waiver of premiums only. In substandard cases and on term insurance, the maximum is \$25,000.

In general the company's limit on double indemnity is \$50,000, although in very exceptional cases it may exceed this amount. Women may be considered for double indemnity for the full amount of insurance granted within the limit of \$50,000. Students and young men not definitely established in business may be considered for not more than \$10,000 with double indemnity. On term insurance the double indemnity limit is \$25,000.

### Reliance Life

The Reliance Life of Pittsburgh has announced a new basis of qualification for company honors. The company has eliminated accident and health requirements in the agent's contract and in production club qualification, but any such business produced will count on a commuted basis toward qualification. For qualification purposes agents will be credited at the rate of \$25 of accident or health premiums equaling \$1,000 of life insurance.

The company is now prepared to issue



accident and health policies on the deductible plan to be sold only in combination with life insurance. The policies do not provide indemnity under any circumstances for disability during the specified deductible period. The company is also adopting a more liberal form of total and permanent disability clause and has made an increase in rates to provide for the additional coverage. No change has been made in the annual premiums on participating policies, but there has been a reduction in the schedule of premiums on the non-participating basis. There is also a reduction in semi-annual, quarterly and monthly premiums, due to the change in calculating the fractional payments. The company will now also write monthly installment insurance for 10 or 15 years certain and life thereafter.

### WITH INDUSTRIAL MEN

#### NEWS OF THE PRUDENTIAL

##### Some Recent Promotions Have Been Made When Agents Were Made Assistant Superintendents

Stephen W. Crozier has been promoted to the superintendency of the Easton, Pa., district of the Prudential. He was previously assistant superintendent at Quakertown, Pa., which is operated from the Bethlehem district.

Clement A. Pulaski has been appointed an inspector. His record of service dates back to July 26, 1920. From that time to the date of his appointment to the inspectorship, he was an agent at Mt. Carmel, Pa., which is operated from the Shamokin, Pa., district.

On May 13 William W. Marr, agent of the Wilkes-Barre No. 1 district, celebrated his entrance to the Prudential, made thirty years ago.

The success of the following agents merited their promotion to be assistant superintendents: Adolphus F. Frame, Washington C. H. O., detached of Chillicothe, O.; Jesse Koleszar, Cleveland No. 2; Norman E. Myers, Canton, O., and Orlow R. Williamson, Cambridge, O., detached of Zanesville, O., district.

Among recent appointees to assistant superintendents are W. Bain Ramsey, New Kensington, Pa.; Frank L. Sayre, Oil City, Pa.; Clarence E. Larimer, Beaver Falls, Pa.; Lawrence A. Roberts, New Castle, Pa.; and Ernest F. Nash, Pittsburgh No. 1.

Superintendent Emmett P. Carroll has been transferred from Uniontown, Pa., to McKeesport, Pa., as successor to Peter F. Althart, deceased. To fill the vacancy at Uniontown, Superintendent David J. Thomas has been transferred from Easton, Pa.

Agent Julius C. Latanski of Ithaca, N. Y., has joined the assistant ranks.

#### NEWS OF CONSERVATIVE LIFE

##### Company Arranges for Its Midsummer Convention to Be Held at South Bend June 27-28

The Conservative Life of South Bend, Ind., announces the leaders for the year: Joint Results. Superintendent Wm. Bobrowski, Gary No. 2; Agent C. Szakatis, South Bend No. 1.

Net Placed Ordinary: Superintendent Martinus Vink, South Bend No. 2; Agent Joseph Martin, South Bend No. 2.

Ordinary Increase: Superintendent Geo. W. Rathwick, South Bend No. 1; Agent Joseph Martin, South Bend No. 2.

Monthly Increase: Superintendent Wm. Bobrowski, Gary No. 2; Agent E. O. Todd, Gary No. 2.

Collection Percent: Superintendent Wm. Bobrowski, Gary No. 2; Agent P. B. Bussert, Mishawaka, Ind.

Arrears Percent: Superintendent Wm. Bobrowski, Gary No. 2; Agents C. Szakatis, South Bend No. 1; Daniel Jadron, Gary No. 2, and Alex Czajkowski, Indiana Harbor.

The Conservative Life will hold its mid-summer convention at South Bend June 27-28. The leading superintendents and agents, together with their wives, will be invited to attend.

Chester R. Montgomery, mayor of South Bend, will welcome the delegates at the noon-day luncheon, and Sidney B. Whipple, editor of the South Bend "News-Times" will give a short talk.

At the banquet to be held June 27, Eli F. Seebirt, ex-mayor of South Bend, will

deliver an address, "The Conservative Life as Seen by the Citizens of South Bend."

At the Tuesday luncheon C. C. Wysong, insurance commissioner of Indiana, will address the delegates, and immediately following, Andrew J. Hickey, congressman, will speak, his subject being, "The Conservative Life, Its Officers and Personnel."

At the Monday evening banquet Mr. Seebirt's address will be followed by a round-table talk, which will be participated in by a number of the delegates, their wives, officers and directors.

On Monday the ladies will be given an automobile trip, during the course of which they will visit the University of Notre Dame and St. Mary's College, going from there to Benton Harbor, Mich., where they will have a trip through the House of David, and then to the Edgewater Club on Lake Michigan, near St. Joseph, Mich., where luncheon will be served.

On Tuesday morning all of the delegates and their wives will be given a one-hour ride around South Bend, arriving at the administration building of the Studebaker Corporation at 10 a. m., where special guides will take them through the Studebaker plant. Following this, they will adjourn to the Chain-o'-Lakes Country Club for dinner.

Superintendent H. L. Humerickhouse of the Elwood district is transferred to the superintendency at Anderson, Ind. Mr. Humerickhouse started as an agent for the company at Anderson, March 21, 1925. He was promoted to the superintendency at Elwood March 27, 1926.

The company announces the appointment of George Rhody to the superintendency at Elwood, Ind. Mr. Rhody started with the company as an agent April 11, 1926.

#### Court Upholds Button's Rule

Commissioner Button of Virginia

## FLORIDA

UNION NATIONAL  
INSURANCE CO. of FLORIDA  
ST. PETERSBURG

MAX A. H. FITZ      E. F. H. ROBERTS  
President      Secretary & Actuary  
DR. JOHN L. DAVIS  
Executive Vice President  
and Medical Director

**AGENTS WANTED for Florida.**  
Issues every desirable form of policy. Automatic reinsurance provides for very large lines. Prompt efficient service.

**Address: John C. Roberson,**  
Vice-President and  
Agency Director,  
First National Bank Building,  
St. Petersburg, Florida.

## REAL OPENINGS for GENUINE WORKERS

— those who know that only intelligent endeavor secures applications in volume and understand that advancement comes surest through strong effort, can learn of advantageous opportunities, either as solicitors or Agency Managers, now awaiting suitable applicants. Plenty of chances in various parts of the country.

## UNION MUTUAL LIFE INSURANCE COMPANY PORTLAND      MAINE

POSE BARRY DIETZ, Pres.  
G. O. SANBORN, Vice-Pres.

W. J. ALEXANDER, Secy.  
F. T. ANDREWS, Med. Dir.

## GLOBE MUTUAL LIFE INSURANCE COMPANY

Incorporated under state  
laws of Illinois 1895

CHICAGO

T. F. BARRY,  
Founder

**19 PER CENT NET AVERAGE GAIN FOR 1926 in all branches**  
**THIS IS MADE POSSIBLE ONLY BY THE UNEXCELLED SERVICE THE GLOBE GIVES TO ITS POLICYHOLDERS**

Home Office,  
431 S. Dearborn St.

Telephone  
Harrison 1998

## THE UNITED STATES LIFE INSURANCE COMPANY

In the City of New York  
Organized 1850      Non-Participating Policies Only  
Over 71 Years of Service to Policyholders  
Good territory for personal producers, under direct contract  
HOME OFFICE: 105-107 Fifth Avenue, New York City

**National Underwriter WANT ADS are Result Getters**

## THE SECURITY LIFE INSURANCE CO. OF AMERICA

O. W. JOHNSON, PRESIDENT

WITH

Insurance in Force ..... Over Fifty Million  
Assets ..... Over Six Million

AND THAT HAS

Paid Policyholders since organization ..... Five Million

**WANTS—General Agents and Managers in 17 states**

**Contract—Commissions or commissions and expense allowance**

**Address S. W. GOSS, Vice-President, 134 N. La Salle St., Chicago, Ill.**



## George Washington Life Insurance Company CHARLESTON, WEST VIRGINIA

HARRISON B. SMITH, President

presents opportunity for liberal contracts covering definite territory with Home Office registry and with power of appointment of sub-agents.

The States of West Virginia, Virginia, Ohio, Kentucky, Tennessee, South Carolina, North Carolina, Georgia, Michigan, Oklahoma and Washington.

Address

ERNEST C. MILAIR, Vice-President and Secretary

## Security—

When the Mutual Benefit was organized in 1845 there were only a few Life Insurance Companies in the United States. Through the Wars, Panics and Epidemics of all these years, it has always stood safe and secure as a foremost disciple of Pure Life Insurance.

### The Mutual Benefit Life Insurance Co. Newark, N. J.

Organized 1845

## Policy No. 1, May 25, 1847

Issued to John W. Hornor, the Founder of the Company, eighty years ago. And throughout these eight decades the PENN MUTUAL has kept close to the front rank in size, and in all that is best in life insurance, in some things a pioneer, and in others a close observer and an early adopter.

A notable addition to the executive staff of our Agency Department signalizes this eightieth anniversary year, and is a happy augury for continued progress in life underwriting that is sound, visioned, and profitable in improved service of our Agents and of the public.

We have room for men and women who are workers, are ambitious, and have high ideals.

### The Penn Mutual Life Insurance Company Philadelphia, Pa.

Founded 1847

# if

You are a producer  
You want a REAL job  
You believe in yourself  
A friendly interest is needed  
Close co-operation is necessary  
Territory does make a difference

Write or wire: S. M. CROSS, President

## COLUMBIA LIFE INSURANCE COMPANY Cincinnati, Ohio

## The Life Insurance Company of Virginia

Incorporated 1871

Richmond, Virginia

Admitted Assets, Over Fifty-One Million Dollars  
Insurance in Force, Over Three Hundred Million Dollars  
Payments to Policyholders in 1926, Over Three and One-Half Million Dollars  
Total Payments to Policyholders Since Organization, Over Forty-Three Million Dollars  
JOHN G. WALKER  
Chairman of the Board  
BRADFORD H. WALKER  
President

acted within his rights when he refused to issue a license to E. A. Norcum to represent the People's Life of Washington, D. C., in Portsmouth. So holds the city circuit court of Richmond in denying an application of Norcum for a mandamus to compel the commissioner to license him. Norcum resigned recently as agent in Portsmouth for the National of Virginia. Both companies do an industrial business.

Commissioner Button declined to grant

the license on the ground that 90 days had not elapsed since Norcum had left the service of the other company, his rule being that agents representing industrial companies can not transfer from one to another in the same district within that period.

The Washington company wrote Commissioner Button that it was not in sympathy with the proceedings instituted by Norcum.

## NEWS OF LOCAL ASSOCIATIONS

### OPPORTUNITY IS NOW GREAT

Vice-President K. A. Luther of Aetna Life Tells Detroit Association of Field for Success

DETROIT, May 19.—Most men think they could do great things if given the opportunity," said Vice-President K. A. Luther of the Aetna Life to the Detroit Life Underwriters Association members last Friday.

Most failures are the men's own fault," he said. "They had opportunities but neglected them. Opportunities don't come in a bunch. They are like milestones—you must follow them up. Accomplishment demands toil, self-denial and so forth.

"Many want someone to give them a lift. They want to start halfway up the ladder instead of from the foot. They lie down on their jobs and then persuade themselves they have been unfortunate.

"Life is full of opportunities. There never was a time when opportunity was all about us as today. There never was a time when more life insurance was written and still to be written.

"Work is made easy for life men. The companies cooperate to give you sales instruction. These meetings of your own make you better salesmen.

"It is a privilege to work, to have health, strength, intelligence and opportunity.

"Don't let opposition discourage you. Selling is the successful overcoming of objections. If there were no objections there'd be no occasion for salesmen.

"We are a restless people. We all want something a little beyond but we're not willing to pay the price. Be the best in your line, no matter what your line is. Be able to say when the day is over: 'I did my best.'

Richmond, Va.—Edmund A. Saunders, newly elected president of the Atlantic Life, was the principal speaker at the May luncheon-meeting of the Richmond association. He said that when he cast his lot with the Atlantic 13 years ago he started soliciting insurance, but decided after he finally succeeded in writing one case that his talents lay in the direction of work inside the home office. He was glad to note that there is a tendency on the part of home offices to establish closer relationship with the field. He cited the case of his own company, which recently added two field men to its directorate. Mr. Saunders took occasion to voice unqualified disapproval of the tendency on the part of some companies to write business irrespective of the agent. He believed in letting the business come through the agent whether it was group or any other kind. Bradford H. Walker, new president of the Life Insurance Company of Virginia, was also invited to address the meeting but was called out of town and could not be present.

San Francisco—Jay Allen Fiske, general agent at San Francisco for the Connecticut General, was the principal speaker at the meeting of the San Francisco association, May 19, having as his subject, "Partnership Insurance—Sales Methods, Suggestions and Cases." Mr. Fiske for four years lectured on life insurance at Washington University when he was located in St. Louis as assistant general agent of the Aetna Life.

Preparatory to the annual meeting and election in June a nominating committee has been appointed which includes five former presidents of the association. The executive committee of the association will sit with the nominating committee.

### DALLWIG MAKES ADDRESS

Union Central Life Producer in Chicago Talks on Art of Selling at Waukegan, Ill.

WAUKEGAN, ILL.—Paul G. Dallwig, a large personal producer in the Chicago agency of the Union Central, spoke at the May 6 meeting of the insurance division of the Waukegan-North Chicago chamber of commerce.

He used as his subject, "The Art of Selling." "Don't use slang or doubtful humor," Mr. Dallwig said. "Effective speech requires clear thinking. Don't forget that you must sell through the medium of human interest. Show your prospect that you are in earnest and have given his problem serious thought.

"You can usually make your presentation more effective by cutting it down. Practice economy of language and put over your sales ideas one at a time. Agree with your prospect and it will tend to create confidence. Analyze your man and study different methods of arousing interest.

"The real art of salesmanship is shown in the skill or absence of it in closing. If your eyes are beaming with enthusiasm it will win instinctive consideration in the heart and mind of your prospect. The art of true salesmanship will guide his hand over the dotted line and the signing will seem a matter of detail rather than of major importance and your case is closed."

Clinton F. Criswell, secretary of the Illinois Association of Life Underwriters, made a brief report on the recent annual meeting held in Decatur, and outlined some of the needs for constructive legislation in this state.

A motion was passed to run a series of life insurance ads in the local papers during June, which the Waukegan association has designated as "Life Insurance Month."

Southwest Texas—The Southwest Texas association last week entertained all San Antonio bankers in that city. A. B. Culbertson, trust officer of the Second National Bank, talked on the relations of bankers and insurance writers and the effect of insurance on general business and reviewed the laws on benefit distribution and legal rules governing partnerships. John E. Mitchell of the Aetna Life, president of the association, presided at the meeting and conducted a "quiz," seeking to clear up problems of business and insurance.

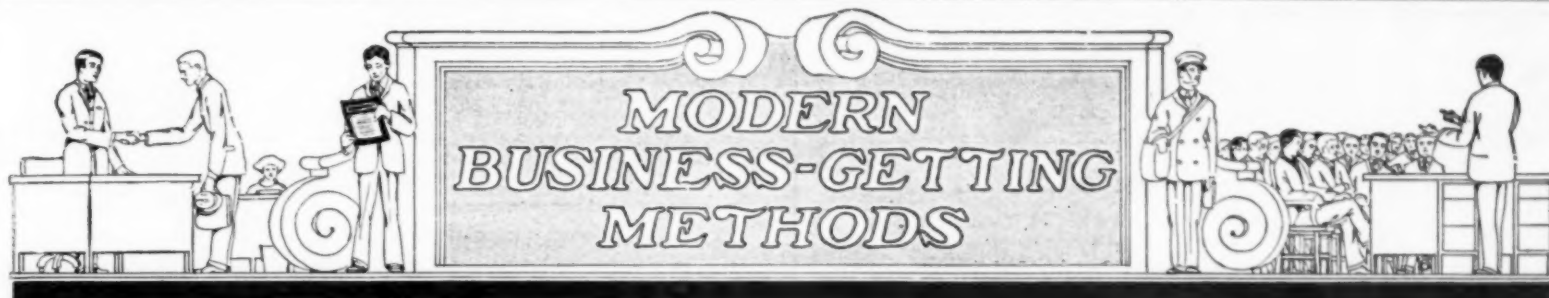
Oklahoma—Upon motion of J. Henry Johnson, general agent of the National Life, the Oklahoma Association of Life Underwriters went on record at Saturday's meeting as endorsing and commending the public health committee of the Chamber of Commerce for its accomplishments in improving health conditions in Oklahoma City.

Bloomington, Ill.—Harry C. McNamer of Chicago, field assistant to the president of the National association, will be the principal speaker at a special meeting of the Bloomington association to be held May 23. At its last meeting the association voted to do some newspaper advertising. Plans are being made to enlarge the usefulness of the association, and it is hoped that the organization can be built up to the point where it can entertain the annual meeting of the state association another year.

North Texas—Families and members of the North Texas association have been invited to attend a dinner-meeting in

(CONTINUED ON PAGE 32)





## Trust Service Department of Moss Agency in Cleveland Has Shown Itself Effective in Developing More Business

MANY obstacles yet stand in the way of effective cooperation between trust companies and life underwriters. Perhaps the greatest obstacle is the general lack of knowledge on the part of underwriters of the essential features of a life insurance trust agreement, and a lack of knowledge of the manner in which trust companies function, which preclude the underwriter making an effective sales presentation. Again the average trust company, through necessity or policy, may not in a specific and effective way urge the prospective client to favor a particular underwriter with new insurance purchases. And then quite generally among underwriters there is a fear that if they turn prospective clients over to the trust company for it to sell the trust idea and handle the drafting and execution of the life insurance trust agreement, the underwriter will lose the value of the contact that he has established.

A plan is now in actual operation, which is actually increasing the volume

of insurance sales, and which is actually resulting in the closing of life insurance trust agreements, by the Herman Moss agency of the Equitable Life of New York in Cleveland. It had its foundation in the creation of a trust service department which had two primary objects: The education of its agents upon the subject of life insurance trusts and how to sell them and the actual closing of trust cases together with additional amounts of life insurance to make the trust adequate for the purposes intended. The department is managed by Henry K. Beckwith, an experienced underwriter who has made an extensive study of trusts and wills, and has personally closed many life insurance trust agreements.

### Conduct Educational Talks for Agents

The plan of the department has provided for a series of educational talks to the agents. These include general talks on the economic value of a life insurance trust agreement from the

standpoint of the community at large, the beneficiaries specifically, and the life insurance business. Many of these have been and are being handled by prominent Cleveland bankers. Then these phases are taken up from a sales standpoint and arguments given to the agents to be used in selling the idea. Tested approaches and presentations are suggested to the agents.

### Brings Prospect for Consultation With Officer

As the agents find prospects to whom they are able to sell the basic idea of a life insurance program, conferences are arranged, the agent bringing in his prospective client to consult with the manager of the trust service department. The manager obtains a complete picture of the prospect's personal and insurance estate, his particular problems, his desires and aspirations. An appointment with the medical examiner is then arranged, and the prospective client turns his existing insurance policies over to the agent so that simultaneously with the first draft of the trust agreement, an audit and abstract of the client's insurance can be made and such new policies together with suitable alternate policies, ordered from the home office.

The actual life insurance trust agreement is prepared by an attorney of the client's own selection, but the expe-

rience of the trust service department enables it to recommend and counsel with the attorney. As soon as drawn, the agreement is referred to the trust company of the client's choice, for the trust company's approval. As soon as the trust service department has the opportunity of completing the above details, another conference is arranged with the client, with all of the cards face up on the table. It is at this time that any changes in the agreement desired by the client are arranged. If the trust is satisfactory, the agent then takes the client to the proper officer of the trust company, the trust officer accepts the trust, receives the policies and then arranges changes of beneficiaries on the policies, completes the schedule of policies, and mails the client his copy of the trust.

### Agent Usually Profits Through Additional Insurance

Experience in a reasonably large number of cases involving trust companies as trustee has shown Mr. Moss and his trust service department that as the underwriter is the active solicitor of life insurance, and as adequate estate plans in the shape of wills and insurance trusts are necessary in most of the bigger cases in order to determine accurately how much life insurance should be bought, when it should be bought,

## GROWTH

*A matter of natural development.*

*Our Growth has been persistent.*

*Our root extends down—not out.*

We haven't spread much because we are rooted deep and lastingly in Illinois, Indiana, Kentucky, Missouri and Iowa. Steady, persistent growth means permanent life.

Men who wish to make a connection or undertake to underwrite life insurance can make an unusually good connection with us now. Write for information and territory desired.

**CHICAGO NATIONAL  
LIFE INSURANCE CO.**

202 South State Street

Chicago, Ill.

A. E. JOHNSON, AGENCY MANAGER

## ASK ME ANOTHER

- Why do so many life insurance agents lose their renewals?  
*Answer: Because of the General Agency System and unfair agent's contracts.*
- What life insurance company has abolished the General Agency System, offers all its agents AN EQUAL OPPORTUNITY and plays no favorites?  
*Answer: The Columbus Mutual Life Insurance Company.*
- Does the Company protect its agents' Renewal Interests?  
*Answer: Yes, it gives VESTED NON-FORFEITABLE RENEWALS.*
- Where can I find an endowment policy that returns the savings if the insured dies, INSTEAD OF USING THE POLICYHOLDER'S OWN MONEY TO PAY HIS CLAIM?  
*Answer: PERFECTED ENDOWMENTS sold by The Columbus Mutual return the excess of the endowment premium over the ordinary life premium in the event of death.*
- Is it possible to purchase insurance at a lower cost if bought in quantities?  
*Answer: A SPECIAL PREFERRED RISK POLICY issued by The Columbus Mutual sold only in amounts of \$5,000 and over gives the policyholder the advantage of the reduction in overhead and shows a surprisingly low net cost.*
- Is it possible for a life insurance company to pay liberal commissions to agents and at the same time furnish low cost insurance to policyholders?  
*Answer: Yes, but such companies are almost as scarce as "hen's teeth." Many companies pay high commissions, quite a number furnish low cost insurance, but the combination seems almost impossible to attain. The Columbus Mutual is an outstanding example of such a company.*

For further information address

**The Columbus Mutual Life  
Insurance Company**

580 E. Broad Street, Columbus, Ohio

C. W. Brandon, President

D. E. Ball, Vice-President and Sec'y.

# ACTUARIES

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how it should be bought, and on what plan it should be bought, it is reasonable that the life underwriter should act as the guide in all the steps taken to create and conserve the client's estate: e. g. the selling of the life insurance and the preparation of wills and trusts to dispose of it, together with the balance of the estate.

### Trust Officer Compliments Prospect and Agent

When the agent takes the client to the trust officer to sign and close the agreement, the trust officer compliments the client on his good judgment and the agent on his thorough work, so that the client goes out proudly telling his intimate friends about what he has done, thus creating further prospects for the Moss agency.

It might be mentioned that if the client has not made his will, he is urged to do so by Mr. Beckwith and this detail is handled in identically the same manner as the life insurance trust agreement, and at the same time.

### Trust Service Department Has Demonstrated Value

While the trust service department of the Moss agency has been in operation but a comparatively short time, it has already demonstrated its value. Trusts which had been pending for considerable periods have been closed. New trusts have been developed and closed. And in nearly every case, substantial amounts of new insurance have been the result. It is worthy of note that in nearly every case brought in to the trust service department by an agent, the insurance which has been sold is substantially higher than the agent had previously written.

In small agencies effective service can be obtained through the employment of specialized legal counsel, plus an intensive study of the subject by the underwriter himself. It should be made clear, however, that an attorney who is inexperienced in drawing wills and trusts will generally so complicate a deal, if not kill it altogether, that he should be avoided.

### Plan as Outlined Has Several Advantages

The plan which has been described, has the tremendous advantage of giving the client the highest professional service at minimum cost. It ties him up so closely to his underwriter, and he is

usually so appreciative of the services rendered, that the underwriter is placed in a strong, non-competitive position. The plan has the further advantage that the wills and deeds are drawn up by an attorney representing the client instead of by the trust company. The client's interests are safeguarded against too liberal powers being given to the trustee.

## LOCAL ASSOCIATIONS

### (CONTINUED FROM PAGE 30)

Dallas May 26. At that meeting the playlet, "Thy Will Be Done," will be presented. The local association has curtailed its activities while the Rockwell school was in session, but now that the school is ended the organization is planning several affairs calculated to stimulate interest in the work of the association.

Rockford, Ill.—Darby A. Day, manager of the Union Central Life in Chicago, was the chief speaker at the dinner meeting of the Rockford association last week. Mr. Day characterized life insurance as the finest investment that can be made. B. F. McClelland, retiring president of the Illinois association, gave a brief report of the state meeting held recently. Clinton F. Criswell, secretary of the state association and managing director of the Chicago association, was present and gave a brief talk. William A. Maddox, president of Rockford College, was a guest of honor at the meeting.

Lima, O.—Frank P. Manly, president of the Indianapolis Life, with Irving Palmer, agency secretary of the company, attended a meeting of the Lima association Saturday, which was designated as "Indianapolis Life Day" in Lima in honor of the visitors. Mr. Manly addressed the association.

Quincy, Ill.—Darby A. Day, Chicago manager of the Union Central Life and president of the Illinois state association, will be speaker at the Quincy life underwriters' dinner May 25. He will be accompanied by Clinton F. Criswell, secretary of the state and Chicago associations.

The May meeting of the Quincy association was addressed by Harry C. McNamer, leading personal producer in the Courtenay Barber agency of the Equitable Life of New York in Chicago. Prior to the meeting Mr. McNamer and R. B. McKnight, agency supervisor of the Franklin Life and president of the Quincy association, called on many of the local insurance men who were not affiliated with the organization and invited them to attend. The result was one of the largest meetings that the Quincy underwriters have held.

Flint, Mich.—At the May meeting Frank Freeman discussed the organization of the College of Life Underwriters. A nominating committee was appointed to report at the June meeting.

A committee of five to look over the training course with the idea of making a regular study course for the local membership of underwriters during 1927-1928 was named. The members are Frank Freeman, chairman; Marvin Schmidt, Allan Beam, Carl Holmes and W. C. Mayer.

To fill vacancies occurring during the past two or three months, A. E. Cobb was elected first vice-president, Allan Beam, second vice-president, and Frank Freeman, representative on national committee. Marvin Schmidt was named chairman of a committee to arrange a picnic to be held some time the latter part of June.

Walter C. Mayer, chairman of the publicity committee, announced that 12 essays had been submitted in connection with the contest and that the judges would meet and pass upon these and announce the winners at the June meeting, to which they will be invited, and prizes of \$10, \$7.50 and \$5 will be presented.

## HALEY FISKE GIVES VISION OF THE FUTURE

### (CONTINUED FROM PAGE 3)

ployment and desire very much that the legislature might authorize us to write such insurance, and I do not see why it may not be worked out. It would mean, as I see it, that industry as a whole would bear the burden of the occasional shutdowns here and there, in-

stead of that burden falling, as it now does, upon the back of the poor fellow who is thrown out of work.

### Must Understand Forces

"It will be some time, doubtless, before we shall learn how to do business to the best advantage in this new time," concluded President Fiske, "for we cannot do anything to the best advantage until we understand the nature of the forces we are working with. We are just discovering, it seems, that what we have been calling business is, after all, nothing but an investment in human life. That means an investment in human relations, and the first business of business should be to discover what those relations actually are. When we get them charted, I believe, we shall know how to deal with them. And, incidentally, the Metropolitan has found it fascinating work—this charting of human relations."

## HEARING IS HELD ON TWENTIETH CENTURY

### (CONTINUED FROM PAGE 5)

field, Ill., and A. I. Vorys, Columbus, O. The lawyers for the Twentieth Century were Norman A. Nelson, general counsel of the company, and his assistant, George W. Hanson; Clifford Ireland of Peoria, Ill., and T. S. McMurray of Indianapolis.

### Boyer Was Not Present

C. H. Boyer, president of the Twentieth Century, did not appear at the hearing. James F. Ramey, secretary of the Washington, and A. D. Johnson, secretary of the United States Mutual, assisted the lawyers in presenting the testimony. Other official present were G. R. and H. R. Kendall, president and vice-president, and C. B. Crawford, vice-president of the Washington; E. G. Ellefson, agency manager, and A. D. Johnson, secretary of the United States Mutual. Mr. Ellefson was one of those who took the witness stand.

The hearing brought out four ex-commissioners. James F. Ramey was formerly head of the Kentucky department and Mr. Vorys is an ex-superintendent in Ohio. Clifford Ireland retired a short time ago as Illinois director of trade and commerce, while Mr. McMurray until recently was Indiana commissioner.

### Evidence for Several Weeks

Near the close of the first day, when it had become evident the complaining companies intended to introduce evidence until the commissioners cried "enough," the commissioners raised the question of how long the hearing should continue. Mr. Lukins, of the Washington, said the complaining companies had enough witnesses and enough evidence to occupy several days, perhaps several weeks. However, after considerable discussion, he agreed to close on Tuesday noon. At that time Mr. Ireland said his company preferred to present its case all at once and to wait until it could examine the testimony presented by the complainants.

April 12, 1927, appeared to be an important date in the hearing for it was on that date that the Twentieth Century was called before the Illinois insurance department and gave pledges of good conduct. A considerable part of the testimony introduced referred to events prior to that date, although some damaging evidence came right down to the time of the hearing.

### New Company for Omaha

The Nebraska National Life of Omaha has been organized with \$150,000 capital by men connected with the Columbia Life of that city. Its articles of incorporation have been approved by the Nebraska insurance department. The incorporators include H. C. Mason, president; R. H. Harris, vice-president; A. W. Mason, secretary, and F. W. Arndt, treasurer of the Columbia Life; W. E. Taylor, K. F. Adams and B. M. Saunders.



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In the acropolis of an ancient Grecian city was a wagon with its pole tied to the yoke by a knot so intricate that no one had been able to untie it. Legend had it that whosoever loosed the pole from the yoke would become lord of all Asia. Friends of Alexander the Great urged him to try to loose it. Instead of wasting time in an attempt to untie the knot, Alexander seized his sword, and slashed the rope. This was known as the cutting of the Gordian knot.

Travelers man. He can solicit his life prospects first for accident insurance. Establish a business relationship. Get his age, income and other important information, when filling out the accident application. Make the call a profitable one,

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